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2000-2005 GENERAL PLAN HOUSING ELEMENT

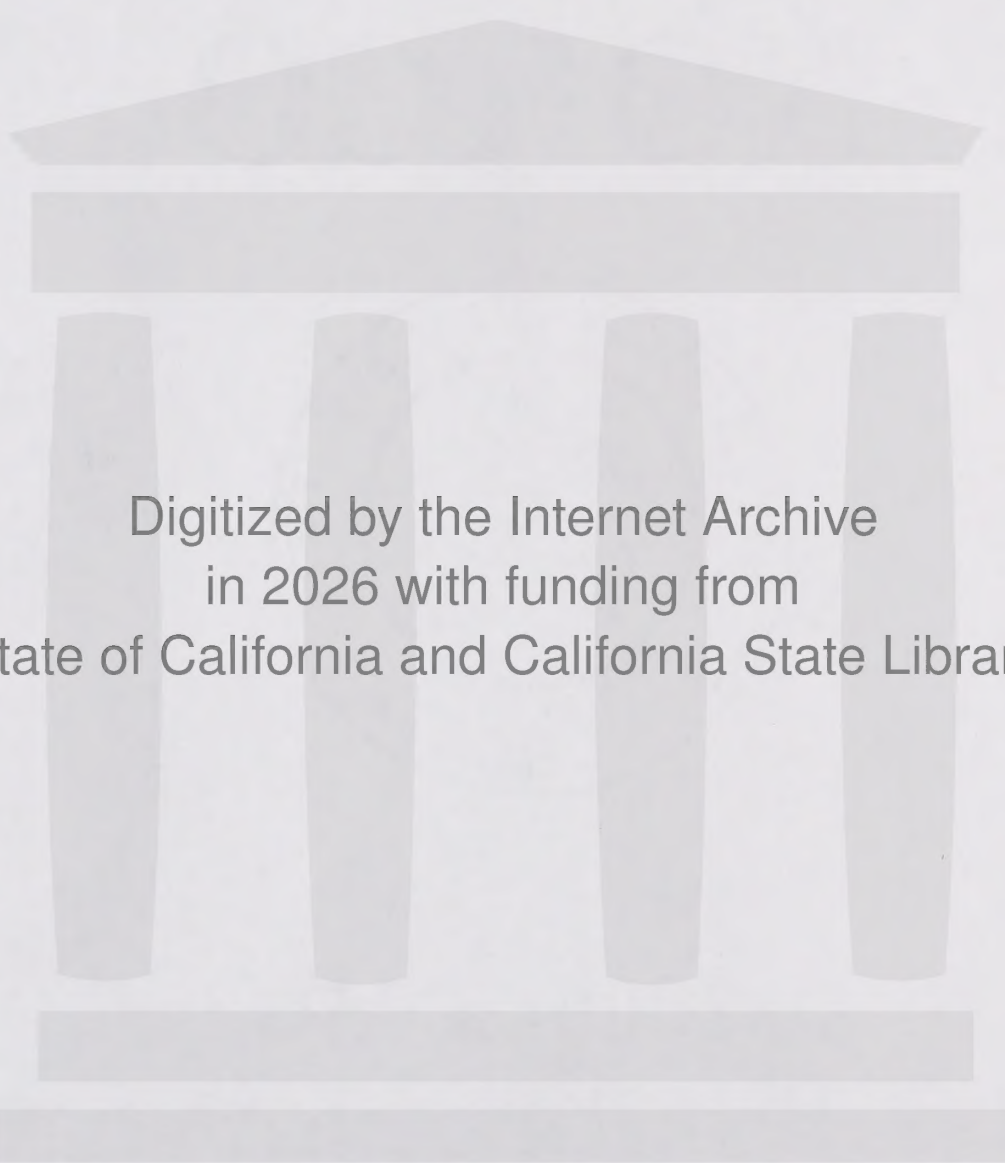


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1.0 INTRODUCTION TO THE HOUSING ELEMENT

The City of Norco was incorporated to preserve an animal-keeping/small plot agricultural lifestyle. Primary to this goal is the maintenance of residential lots that will accommodate and encourage animal keeping and agriculture at a family scale. The preservation of large residential lots allows Norco residents to enjoy small plot agriculture, a concept that dates back to early colonial times. It is important that City policies and requirements be established and maintained such that animal-keeping and agrarian land uses remain in perpetuity for all new residents to the City. It is the City's responsibility to protect and maintain these important values. Therefore, the City has as an overall goal to maintain an animal-keeping/agricultural lifestyle. In an urban setting, the City of Norco provides a unique opportunity to maintain a certain residential type that is not readily available elsewhere in the region.

1.1 PURPOSE OF THE HOUSING ELEMENT

The purpose of the Housing Element is to inventory the existing condition of the City's housing stock and identify where the City needs to improve its programs to provide adequate housing opportunities for all segments of the community. The Housing Element is also a tool that guides the City towards compliance with state housing goals and requirements.

The state has recognized that each locality is best capable of determining its own direction towards providing adequate housing; and that in carrying out this responsibility each jurisdiction must consider economic, environmental, and fiscal factors, and must comply with the community goals set forth in the General Plan. Each jurisdiction also needs to cooperate with other local governments in addressing housing needs on a regional basis. The Southern California Association of Governments (SCAG) periodically determines the regional housing needs and disaggregates those numbers to each city in the Southern California region based on that city's existing supply of affordable units as compared to its population. These disaggregated statistics are contained in the 2000 Regional Housing Needs Assessment (RHNA). The RHNA is based on the number of housing units rather than population. Because of this, facilities like prisons do not unfairly skew the numbers for any one jurisdiction. The goals and policies of the Norco General Plan Housing Element are based on the statistics in the 2000 RHNA.

1.2 BACKGROUND

The state legislature has found and declared that housing is of vital statewide importance and has set as a goal of highest priority, the early attainment of decent housing and a suitable living environment for every California family. As such, each city is required to include as part of its general plan a housing element to guide government



and private sector development in the expansion of housing opportunities and the accommodation of the housing needs of citizens at all economic levels. The housing element is one of several required elements in the General Plan. Other elements include circulation, land use, open space, conservation, noise, and safety. Since the elements are interrelated and often overlap functionally, it is important that they be consistent toward implementing the goals and objectives of the community.

Article 10.6 of the State Government Code identifies the issues that need to be addressed in the housing element. The Norco Housing Element is based on those statutes. It is required that the element be updated every five years at which time the programs are to be analyzed for their effectiveness in attaining the City's housing goals and objectives. The Norco Housing Element was last updated in 1995.

One of the major challenges in producing the 2000 Norco Housing Element is the lack of recent data and a condensed time frame in which to conduct research. Because most of the City's data is based on 1990 census statistics, there is a significant gap between the data available for income, vacancy and current market conditions. Year 2000 census information will not be available for use in the current Norco Housing Element. Despite these limitations, the Housing Element attempts to put a human face on growth challenges that confront the City.

1.3 REQUIREMENTS

The housing element is the only General Plan element that is subject to review by a state agency. The State Department of Housing and Community Development (HCD) is authorized to review and comment on a City's housing element and can make recommendations to changes they feel would make the document consistent with state law. There is no final authority by HCD to approve or deny a City's housing element; however, 'non-acceptance' of the document because it is deemed incomplete, could have the impact of jeopardizing future state housing funds. The 1995 Housing Element Update was not 'accepted' by HCD. The reasons are outlined in a letter that is included in Appendix 'A'. The City has made every attempt to incorporate the recommended changes within the parameters of the overall General Plan and Land Use Element.

It is important that the City have a valid housing element because in unlikely circumstances proposed housing developments may be allowed to override zoning restrictions, as they relate to the permitted residential density, if a Housing Element is successfully challenged in court.



1.4 1995 PROGRESS REPORT

1.4.1 STATE HOUSING PROGRAM

As stated in the Background (Sec. 1.2), State Government Code (Section 65588b) requires a periodic review and update of the City's Housing Element, not less than every five years or as extended by the State. Section 65588a stipulates that the City, in its review, shall evaluate the following:

- 1) The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal.
- 2) The effectiveness of the housing element in attainment of the community's housing goals and objectives.
- 3) The progress of the City toward implementation of the housing element.

The City has endorsed with its Housing Element, the state housing goal of a decent home for every Californian; and the programs established by the State thereto, to accomplish that goal:

Conserve and improve the condition of the existing affordable housing stock.

Assist in the development of adequate housing to meet the needs of low and moderate-income households.

Identify adequate housing sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to encourage the development of a variety of types of housing for all income groups.

Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing that is consistent with the Land Use Element.

Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin or color.

Encourage residential energy conservation



1.4.2 PROGRESS ANALYSIS OF 1995 CITY HOUSING GOALS

In the five years following adoption of the 1995 Housing Element, 195 units were built, bringing the total housing stock to 6,177 on January 1, 2000. Of the 195 total new housing units, 40 (20 percent) were designed to be affordable specifically to lower income households with special needs. Their construction can be attributed to funding by the State Department of Housing and Urban Development (HUD) combined with funds from the City's Redevelopment Agency.

Following is a list of the goals from the 1995 Housing Element Update along with an analysis of what has been accomplished. Sections 2.3 – 2.10 are the updated policies designed to implement the housing goals of the 2000 update.

1995 Goal#1 To promote the City's rural residential, animal-keeping lifestyle.

Analysis: All new housing in the City, including units developed through affordable housing programs have been developed consistent with the City's zoning ordinance to effectively maintain a community atmosphere that promotes the animal-keeping policies of the General Plan and maintains the small plot agricultural residential pattern. Rear-yard setbacks were increased to better promote this lifestyle. Additionally, the City began discussions regarding the establishment of minimum areas on new lots that could be permanently set aside for these purely agricultural uses.

1995 Goal#2 To provide adequate housing in the City by location, type, price, and tenure, especially for those of low- and moderate-income and special needs households.

Analysis: The City has a number of housing programs administered by the Redevelopment Agency that are funded from a combination of federal, state, and redevelopment funds. One of the programs provides subsidies for low-income households that could not otherwise qualify for home mortgages. Through the First-Time Homebuyers Program 47 additional low-income housing units were created. At the writing of this update the City is also working with a private organization and has successfully obtained HUD 202 funding for the development of the second of two phases (40 units) of an 80-unit senior housing complex. All of the units are senior units



and are affordable to very low income households (see Policy 2.6.1a).

With redevelopment the City has programs to assist existing low-income households to finance necessary improvements to maintain the livability of the structure; and to provide improvements for households with special needs. A total of 681 homes (less the First-Time Homebuyers Program) have been assisted through the various programs since 1995.

1995 Goal#3 To encourage sound growth in the community by designating suitable sites for residential development.

Analysis: The large tracts of land currently under development in the eastern hills have been appropriately zoned to accommodate the special environmental conditions associated with the hillside location, and current development is in compliance with these specially designed regulations. Exhibit 3.6 shows the existing undeveloped areas where housing will eventually be built including the remaining hillside areas.

The two potential annexation areas discussed in the 1995 Element, one located northeast of the City at Crestview Drive and Arlington Avenue and the other located on the west side of the City at the end of Bluff Street, have not been annexed. The City does not aggressively seek out potential annexation areas. However, both of these areas are located within the City's sphere of influence and infrastructure can easily be extended to provide necessary services if development becomes imminent.

1995 Goal#4 To improve and conserve existing residential neighborhoods.

Analysis: As stated in the analysis of "Goal 2", the City has instituted several housing improvement programs through the Redevelopment Agency, which have been effective in assisting low-income households that could otherwise not afford to make housing improvements necessary to preserve the viability and livability of existing neighborhoods. In the past five years the program that has provided assistance to the greatest number of homes is the Sewer Program II which has assisted 291 low-income households pay their respective property assessments that were established to pay for expansion of the City's sewer system. The Sewer Loan Program then provided low interest



loans to qualifying low-income households, to pay for residential service connection into the City's main line. This program was used to assist 164 households. The Senior Home Repair Program was created for very low-income households with senior citizens to provide needed improvements while still maintaining affordability of the units. In the past five years, 210 homes have been assisted through this program. The City also has programs that allow qualified households to obtain loans and grants to correct code compliance problems when said improvements cannot be completed by the homeowners for economic reasons. Four homes were assisted in the past five years.

A full time housing coordinator assists all qualified applicants in finding appropriate programs, whether they are through the City, the County, or other public agency. All of the policies for Goal '4' are important and have been effective in improving housing conditions within the City over the past five years.

1995 Goal#5 To provide for a decent home and satisfying environment for all residents regardless of age, race, sex, marital status, ethnic background, income or other arbitrary factors.

Analysis: The City practices equal opportunity in all of its housing programs and in the approval of all new residential developments within the City. In the past five years the City has been working with a private organization to develop a senior housing project targeted for very-low incomes. This effort will continue into the next planning period.

2.0 HOUSING ELEMENT GOALS AND POLICIES

The City of Norco has as its stated goal for the City, the preservation of an animal-keeping/agrarian lifestyle which by its nature modifies the different varieties and types of housing units normally available to a city in an urban setting. The intent of the goal is to protect this unique lifestyle from development pressures and land use incompatibility issues that generally come with an increase in land use intensity on adjacent lots. It is not the intent of the Housing Element or the City General Plan to preclude any citizen an opportunity to live in the community; and the goals and policies of the Housing Element are designed to work in conjunction with the Land Use Element to achieve an overall housing goal of providing housing opportunities for all citizens at all income levels. The other mechanism the City has for development control is through its



building codes. These are established to insure a minimum structural safety standard for all new structures and rehabilitations.

2.1 HOUSING ISSUES AND PROBLEMS: GOVERNMENTAL CONSTRAINTS

2.1.1 LOCAL LAND USE CONTROLS

Land in the city that is designated for residential uses represents approximately 65% of the total land area. Because of the City's stated land use goal to preserve an animal keeping/small plot agricultural lifestyle, the cost of property for residential development can be higher because of the larger lots that are needed. This can be further exasperated in a rapidly urbanizing area like Western Riverside County where land costs are steadily rising and can put constraints on the provision of affordable housing. It needs to be noted, however, that many existing homes are located on lots that are substandard in size, and that many of these homes are 1200 square feet or less. This presents many opportunities for the City to implement programs to preserve existing stock as affordable units. Approximately 25% of all existing lots are less than 20,000 square feet, and approximately 16% are less than 15,000 square feet.

Another facet that emerges with this type of lifestyle, is the in-migration of families who love the idea of agriculture and animal-keeping but dislike its practice. The new families, although living in a distinctly rural setting, often begin to demand urban rather than rural/suburban levels of service. Such service increases are then translated into increased property taxes, which weigh heavily on the farmers and animal-keeping residences, as well as, the other citizens.

A secondary outcome of 'animal-keeping/small plot agricultural zoning' is the overall amount of land that is needed to accommodate the construction of new housing units. This becomes an issue when the City's housing stock does not reflect the needs of the general population of the region, as broken down based on family income. The result is that a significant amount of housing growth is necessary in order to achieve a stock of available units that reflects the County's range of income distribution, and still meet normal market demands. Since the City is nearing build-out conditions in its residential zones, there is little land available for the construction of new units in any substantial number; and the areas that do remain are not conducive to the construction of affordable units. With various redevelopment programs (Section 4.2) the City can help preserve existing housing stock at affordable levels and can offer programs to assist in the purchase and upkeep of such housing units. Infill development is also planned and promoted through the Redevelopment Agency, to construct new affordable units.



A change to a higher residential density would not achieve the City's goal of preserving its historical animal keeping and small plot agriculture land use pattern. Despite the complexity, higher density residences do exist and are often associated with ranchhands, and the agricultural industry. The City must focus on its redevelopment funds, and various state and federal housing funds to preserve existing housing stock at price levels that are affordable to low and very low income households. In addition the City can investigate alternative land use options that incorporate housing units under different scenarios not necessarily requiring a small plot agricultural area for each unit (Section 2.4 Goal: Remove or Reduce Constraints on the Development of Housing).

All residential construction must be in compliance with the Uniform Building Code (UBC) standards, as is the case in every California community. These are standards that cannot be reduced by law. The City of Norco does not require any additional building specifications beyond what is required in the UBC, therefore compliance with the City's standards is not any more restrictive than what is required statewide for minimal safety standards.

2.1.2 NON-LOCAL GOVERNMENTAL CONTROLS

Many of the goals and policy statements of the Housing Element are already related to state and regional housing goals to reach a fair share housing distribution throughout the region. In addition to the local land use and building controls described above, there are regional, state, and federal legislation that can also impact the City's ability to produce, or encourage the production of housing to meet its goals. The amount and degree to which state and federal legislation affects housing is too immeasurable to discuss in this context.

2.1.3 ENTITLEMENT COSTS, FEES, AND EXACTIONS

Associated with the development of new housing are the costs required to extend public services (i.e. roads, and, sewer and water lines) including exactions for the mitigation of environmental impacts, and administrative fees for development within the affected public agencies.

Public service costs include all of the fees and connection costs that must be paid before new residences can receive services. These cover the costs of the construction of new city (or agency) facilities and the expansion of services, and range from water and sewer connection fees to school impact fees. For a 1,500 s.f. home on an already subdivided lot, with a value of \$150,000.00 in 2000, the fees would be about \$17,500.00 for permit and plan check fees, impact fees, and utility and service connection fees. Many of these fees are established by the



respective agencies within the City; while the others are set by other public agencies, such as the school and flood control districts.

In addition to improvement costs and impact fees, every jurisdiction has application fees for new development and land use. These vary widely from jurisdiction to jurisdiction, and many communities have policies that allow them to bill applicants for staff time expended after the base fees have been used up. The fees are established for the number of staff hours that are used in reviewing, revising, and processing project applications, and for the number meeting hours for public hearings. In addition, these fees must cover the advertising costs for public meetings. A comparison of fees shown in Table 2.1 shows that Norco is lowest among neighboring jurisdictions. The comparison shows the base fees for each community which can be increased as mentioned above. Norco does not collect any more fees than those that are collected at the time of application. Table 2.1 shows that as far as fees are concerned, the City does not create an impediment to the development of housing when compared to other jurisdictions.

TABLE 2.1
COMPARISON OF ENTITLEMENT FEES (SEP. 2000)

The fees shown in the table are based on an example development of 60 single-family housing units on 30 acres requiring a tentative tract map, a zone change, and an environmental impact report.							
CITIES	TRACT MAP FEES		ZONE CHANGE FEES		EIR FEES	EXTRA FEES	TOTAL
	BASE	PER LOT TOTAL	BASE	PER ACRE TOTAL			
CHINO	5,980	600	4,035		915®		\$11,530.00®
CORONA©	7,080	1,980	2,940	120	1,905®	100	\$14,025.00®
MORENO V.	6,106	4,035	2,500®		5,000	67	\$17,641.00®
MURRIETA®	3,000		3,000		6,047©		\$12,047.00®
NORCO	4,000	600	4,300		1,000		\$9,900.00
RIVERSIDE	4,829	3,960	2,365	1,320	17,270		\$29,744.00®
RIV. COUNTY	8,931	5,580	3,577		8,439		\$26,527.00®
S.B. COUNTY	8,700	2,700	6,000®	134	8,800®		\$25,334.00®
® - Pay as you go fees, these are the deposit amounts.							
© - Murrieta has a "pay after review" for EIR's and no base fee. This amount is an average of the other EIR fees in the table.							

2.2 HOUSING ISSUES AND PROBLEMS: NON-GOVERNMENTAL CONSTRAINTS



Non-governmental constraints consist of those factors that need to be considered in the construction of housing for which the Housing Element cannot control. These are generally those factors, which fluctuate on market demands and include financing, material costs, and site improvement costs.

2.2.1 FINANCING

Availability of financing affects all aspects of the home-buying market from construction loans to mortgage interest rates. For large residential tracts, banks have not generally financed the whole project at once, but will finance small phases at a time. Once a majority of a phase is sold, the bank will release funds for the next phase. This practice is designed to prevent the housing market from becoming saturated with new un-sellable units. As a result, however, the restriction on the housing supply can help keep prices high on existing units, which has the potential of producing affordability problems for lower income households.

Financing for new residential projects is generally arranged in two phases, the construction loan, which is a short-term loan to cover material and labor costs until construction is completed, and the end loan which replaces the construction loan with a standard 15 or 30 year mortgage. The current lending situation in California is much tighter than during the 1980's when more lending institutions were involved, issuing more speculative residential development financing. A prolonged recession beginning in the early 1990's has caused some of those institutions to withdraw from the current lending picture. The projects currently being financed within the region are also on a smaller scale. Whereas a typical phase might have consisted of 40-50 homes in the 1980's, financing is now being issued only on phases of 15-20 homes.

Prices on existing units have risen as a result of an overall rise in the number of jobs regionally, spurred by the good economy. The indication now, from phone conversations with the various large banks in this area, banks are approving financing packages for more large-scale residential projects. While the activity appears to be increasing over what has been occurring during the past five years, none of the banks have returned, or are expecting to return, to the speculative financing that occurred in the 1980's.

2.2.2 MATERIAL, LABOR, AND SITE IMPROVEMENT COSTS

The costs associated with the construction of new homes can be anywhere from \$35.00 per square foot and up, for labor and material costs. These are determined in the regional market and therefore not controlled by the City's General Plan policies. Habitat for Humanity (HH) is a non-profit organization that



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works with prospective low income home owners who provide some of the labor in the construction on their own homes. This effectively reduces construction costs, but the amount of reduction varies from case to case. In specific redevelopment situations, the City can work jointly with HH to produce housing; however, the organization generally works directly with the future homeowner.

Developers of large residential projects are required to install the water and sewer infrastructure, as well as the street, curb, and trail improvements adjacent to their property. These costs are generally passed on to the homebuyer. Current average costs for the installation of these improvements are as follows:

sewer:	\$3,000.00 per lot
water:	\$4,000.00 per lot
storm drains:	\$300.00 - \$400.00 per lot
street and curb:	\$1.50 - \$2.00 per square foot
trail:	\$10.00 per linear foot

These improvement costs can vary widely from project to project based on different situations but are fairly uniform from community to community.

In addition to construction, the site improvement costs include those costs associated with the purchase of property. One of the issues concerning the development of housing in the City of Norco, especially as it relates to affordable housing for low-income households, is the larger lot size, which on its face would seem to increase the overall cost of housing. A July 2000 survey of recently sold vacant residential properties in Norco and Corona showed that the per square foot cost was eight cents more in Norco. These are single family lots, though. Raw acreage for subdivision development ultimately makes the per lot land cost lower, but the City of Norco does not have that kind of acreage in the City. With 25% of the existing lots at substandard sizes the City can use redevelopment programs to maintain lots within an affordable range.

2.2.3 EQUAL OPPORTUNITIES FOR HOUSING/COMMUNITY AWARENESS

Norco is a community that promotes a family agricultural living style that is otherwise not available in an urban setting. As such, the families that locate here for that lifestyle tend to stay. Therefore, there is a very low turnover of housing, which drive up the price of existing housing. This can be a constraint to lower income households where there are not off-setting redevelopment programs to help sustain a stock of lower priced housing.

Another constraint that can prevent citizens from obtaining housing, especially as it pertains to low-income families, is that lack of knowledge on available



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programs that can assist them. To remedy this the City can insure that information pamphlets are continually available at various sites throughout the community that describe the various programs available.

An additional constraint could be in the form of discrimination against any particular group or gender of people, which is expressly prohibited by state and federal laws. Because of its size, the City of Norco does not have staff to handle the resolution of housing discrimination complaints. By agreement, claims of discrimination are handled through the County Fair Housing Council located at 3600 Lime Street, Riverside (909-682-6581).

2.3 GOAL- PROMOTE AND MAINTAIN THE CITY'S SMALL-PLOT AGRICULTURAL AND ANIMAL-KEEPING LIFESTYLE

2.3.1 ANIMAL-KEEPING POLICY: Housing programs and subsequent projects and regulations will be evaluated on the basis of protecting and enhancing an animal-keeping lifestyle.

Policy 2.3.1a. All new residential areas shall be zoned with a minimum lot size of .5 acre, excepting multi-unit developments for senior citizens, and as otherwise permitted by special exception from the City Council.

Policy 2.3.1b. All residential lots, with the exception of special redevelopment infill parcels for low and moderate-income families, shall have minimum lot depths of 200 feet to allow appropriate yard area for the keeping of large animals.

The objective of the small plot/animal-keeping policy is to insure that detached residential units constructed in the next five years, will be built suitable for sustaining a family based agricultural lifestyle that also helps to maintain animal-keeping in the community. This policy is established to promote housing that is consistent with the Land Use Element.

Responsible Agency: Department of Community Development

2.3.2 AGRICULTURAL POLICY: Housing programs and subsequent projects and regulations will be appraised on the basis of maintaining, and protecting, and enhancing the small-plot agricultural lifestyle.

Policy 2.3.2a. All residential lots, with the exception of special redevelopment infill parcels for low and moderate-income families, shall have minimum lot depths of 200 feet to allow appropriate yard area for the practice of small plot agriculture. With the adoption of a specific plan, primary animal keeping areas



can be established on each individual lot in place of requiring the standard 200 foot lot depth, so as to still encourage the small-plot agricultural lifestyle.

The objective of the agricultural policy is to insure that detached residential units constructed in the five years, will be built suitable to practice small plot agriculture and to maintain the semi-rural lifestyle called out for in the Land Use Element.

2.3.3 PUBLIC SERVICE POLICY: Insure that the level of public services to residential areas of the City is based on anticipated population projections with the goal of protecting the environment.

Policy 2.3.3a. All new residential construction shall include the necessary infrastructure to provide services concurrent with City standards, including a lateral connection to the City's sewer system for each single lot that is developed with a home.

Policy 2.3.3b. Encourage existing housing units now using a septic system to hook up to the City's sewer system, possibly using the Deferred Loan Program to provide the necessary financing for qualified low and medium-low income households. (Section 4.2.4)

Policy 2.3.3c, Any residential unit not currently hooked up to the sewer system shall be required to install a lateral sewer line connection to the system prior to the sale of the property in question where a sewer main exists near the property. (Section 4.2.6)

The objective of the public service policy is to have all residences in the City connected to the City sewer system, with the eventual elimination of all septic systems.

Responsible Agencies: Engineering Department, Riverside County Health Department, Economic Development Agency.

2.4 GOAL - REMOVE OR REDUCE CONSTRAINTS ON THE DEVELOPMENT OF HOUSING

2.4.1 JOBS GENERATION POLICY: The City will work towards the creation of jobs in the community that can support households by promoting the best use of limited industrial and commercial zones.

Policy 2.4.1a, The City and the City's Planning Commission will evaluate and make recommendations on a case-by-case basis regarding what actions can be



done to achieve the highest generation of high paying jobs for each commercial and industrial project.

2.4.2 LAND USE POLICIES: The City will remove or mitigate constraints to the maintenance, improvement, and development of affordable housing as is feasible and in conjunction with the Land Use Element of the General Plan, and the goals of the community.

Policy 2.4.2a, The City will promote the use of Redevelopment Agency Housing Funds for infill housing and first time home buyers on existing lots that do not meet the minimum lot size requirements of the underlying zone.

Policy 2.4.2b, The City should maintain an impact mitigation program on housing development projects (A-1 and HS Zones) to help mitigate the cost of new single family housing in the City and the impact it has on the City's efforts to provide housing opportunities for all income levels.

Policy 2.4.2c, The City Council will consider waiving application and impact fees, as can be accommodated, where such a waiver can be the difference in the feasibility for the development of housing projects that meet the City's needs for very low, low and moderate income housing opportunities.

Policy 2.4.2d, The City will make widely available, publications that describe the funding and assistance opportunities and availability of affordable housing in the City of Norco.

Policy 2.4.2e, In underdeveloped commercial areas the City should investigate a mixed-use building concept that could allow the development of two story buildings wherein the top floor could be used for residential uses until such time as the market could support the conversion of the second story to commercial uses.

Policy 2.4.2f, No residential construction shall be allowed until mainline water and sewer utility infrastructure is available from the City; and not until mainline storm drain infrastructure is available from the City and/or County.

The objective of the land use policies is to help meet the strong demand for affordable housing that is primarily the result of continued employment growth and the rising costs for housing in the Southern California region, and specially in Norco. State legislation requires that localities zone sufficient sites for residential use, affordable to all economic segments, consistent with the needs identified in the local General Plan and Housing Element. The City will continue to identify



locations in the community where affordable and infill residential development can be accommodated.

Responsible Agencies: Department of Community Development and Redevelopment Agency

2.5 GOAL - MAINTAIN LOW INCOME/AFFORDABLE HOUSING STOCK

2.5.1 CONSERVATION POLICIES: The City will establish measures to conserve existing housing stock and maintain it within an affordability range for low and moderate income households.

Policy 2.5.1a. The City should keep an inventory of affordable housing units and promote, through its Redevelopment Agency, the use of additional affordable housing assistance programs, as appropriate, for existing homes that have the potential to convert to non low-income status (Also see Programs 2.8.2a., 2.9.1a., and 2.9.1b).

Policy 2.5.1b. The City will promote the use of Redevelopment Agency Housing funds to convert and/or conserve existing units on sub-standard lots as affordable units to low and very low income households.

The objective for the conservation policy is to meet State redevelopment law requirements that cities track multi-family developments that have been assisted with redevelopment funds, so as to be aware when such projects would be eligible to convert to non low-income units. The state does not have similar requirements for single-family homes that have been assisted with redevelopment funds though. However, since much of the redevelopment housing assistance in Norco has been for single family homes, it would be beneficial and appropriate for the City to track these units also. There are no affordable housing units that have been assisted through redevelopment programs that will be eligible to convert to non low-income status in the five-year time frame of this housing element update. Only one multi-unit development has been assisted with redevelopment funds (Clark Terrace) and the Disposition and Development Agreement for that project does not expire until the year 2035. The only other multi-unit housing complex is Heritage Park which was not assisted with redevelopment funds. The conditional use permit under which Heritage Park was approved requires the project remain as a senior citizen complex. A development agreement that restricts rental amounts in October 2000 after which the units will not be restricted in terms of the rent that can be charged to residents.



In addition, the City feels it is important to conserve other housing options **not** necessarily funded with redevelopment money, but affordable to low income individuals or families or citizens with special care needs. This type of housing stock consists of non-traditional places of residence including single-room occupancy (SRO's) units, group care facilities, group homes, ranch hand courts, and sub-standard units.

Responsible Agency: Redevelopment Agency and Department of Community Development

2.6 GOAL - PROVIDE ADEQUATE HOUSING IN THE CITY BY LOCATION, TYPE, PRICE, AND TENURE FOR ALL SEGMENTS OF THE POPULATION

2.6.1 GOVERNMENT AID POLICY: The City will seek any federal, state, and local funding to help provide and subsidize low-cost housing.

Policy 2.6.1a. Many federal housing programs are intended toward the development of high-density housing projects for low and medium-low income households. There are limited opportunities for high-density housing in Norco, therefore the City should continue to seek whatever federal funds can be used on projects that are consistent with the Land Use Element, and can help provide affordable housing units.

Policy 2.6.1b. The City should actively support legislative actions that will continue existing housing grant programs and provide local government with the discretion necessary to serve local housing needs adequately.

Policy 2.6.1c. The City should find additional sites for the construction of **infill** housing in accordance with the Redevelopment Agency's Infill Housing Program, using the Agency's set-aside funds and CDBG funds as appropriate.

Policy 2.6.1d. The City should seek additional opportunities to assist low and moderate-income households through the First Time Homebuyer Program, using the Redevelopment Agency's set-aside funds as appropriate.

Policy 2.6.1e. The City should investigate the establishment of a special low-interest loan program for home improvements specifically designed for room additions in low-income, large-family households residing in housing that is too small, and where the low income prohibits moving to a larger home.

The objective of the government aid policy is to seek as much funding as the City is qualified to receive to help it meet its low and moderate income household needs.



Responsible Agency: Redevelopment Agency

- 2.6.2 PUBLIC/PRIVATE PARTNERSHIP POLICY:** The City will encourage public/private sector partnerships and cooperation in developing and implementing solutions to affordable housing, and special housing needs.

Policy 2.6.2a. The City should seek additional opportunities with private non-profit corporations, as feasible, for the development of housing that meets low and moderate-income household needs, and for those with special housing needs (see Section 3.5).

Policy 2.6.2b. The City should continue working and seek additional opportunities to work with Habitat for Humanity, and other private or public agencies, for the development of low income housing units, especially through the Infill Housing Program (Policy 2.6.1d). This program should include as feasible, a streamlined permit processing procedure so as to minimize time and expenditure for private sector agencies involved in the production of affordable housing.

The objective of seeking public/private partnerships is to obtain as many opportunities as possible to meet the City's housing needs for all segments of the economic community.

Responsible Agency: Redevelopment Agency

2.7 GOAL - DESIGNATE SUITABLE SITES FOR SOUND RESIDENTIAL GROWTH

- 2.7.1 ENVIRONMENTAL POLICY:** The City will consider environmental hazards and restraints during the planning of residential projects in environmentally sensitive areas.

Policy 2.7.1a. No residential development should be permitted in the City's flood zones.

Policy 2.7.1b. Residential development in the hillsides should be designed with the contours of the land so as to minimize the total amount of grading and to limit the amount of permanent grading scars such as retaining walls and manufactured slopes. In addition, project design should incorporate the natural land features such as rock outcrops.



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Policy 2.7.1c. Residential development along the river bluffs should only be permitted when stability of the soil has been ascertained, and the structures and accesses are located an appropriate distance from the face of the bluff.

Policy 2.7.1d. Residential development along the freeway should incorporate appropriate landscape buffers and building setbacks to mitigate noise impacts.

Policy 2.7.1e. The City should establish criteria for the conversion of vacant motel/commercial buildings into senior housing complexes.

The objective of the environmental policy is to insure that housing is developed in Norco that is not unsafe for future inhabitants, and which is done such that impact to the City's natural resource areas is as minimal as can be feasible.

Responsible Agency: Department of Community Development

- 2.7.2 ANNEXATION POLICY: Logical annexation of adjacent unincorporated areas, including amendments to the City's sphere of influence boundary as necessary, will be encouraged when adequate service and proper land use plans have been developed, or when annexation is deemed critical to preserving the City's animal-keeping/small plot agricultural lifestyle.

Policy 2.7.2a. Proposed annexation areas shall enhance and/or support the City's animal-keeping/small-plot agricultural goals and lifestyle.

The objective of the annexation policy is to facilitate the annexation of properties whose owners are conducive to annexation, and for properties that will enhance the City's animal-keeping/small plot agricultural lifestyle.

Responsible Agency: Department of Community Development

- 2.7.3 SERVICES AND UTILITIES POLICY: The City will encourage residential infill within existing neighborhoods to better utilize existing services and utilities and to reduce infrastructure development costs.

Policy 2.7.3a. (See Policy 2.6.1c, Infill Housing)

- 2.7.4 REGIONAL HOUSING NEED ASSESSMENT (SCAG) POLICY: The City will monitor its compliance with the 2000 Regional Housing Needs Assessment (RHNA) and participate with the Southern California Association of Governments (SCAG) in future projections of housing needs for the community to the extent that the City's Land Use Element will allow.



In addition to the many single family units that have been built or assisted with redevelopment funds, the first phase of a two-phase multi-unit housing development has been built under the above-named programs (HUD 202). The second phase will be funded and built with this cycle of the Housing Element. Both phases are being built with Disposition and Development Agreements that require the owner to reserve no less than 20% of the units for low and moderate income households.

4.4.2 REPLACEMENT OF AFFORDABLE UNITS

No affordable units were removed during the last five-year phase of the Housing Element. A requirement of State Redevelopment Law is that all affordable units removed, as a result of development must be replaced with an additional unit in the same affordability range. Since most of the City is within the boundaries of Norco Redevelopment Project Area One, any affordable unit removed will need to be replaced. It is anticipated that there will be no removal of affordable units over the next five years.

4.5 ENERGY CONSERVATION OPPORTUNITIES

The California State Building Standards (Title 24) requires that all new development, including residential development, comply with several energy-saving building standards. These standards include, but are not limited to, ceiling and wall insulation, concrete slab insulation, vapor barriers, weather-stripping on doors and windows, closeable doors on fireplaces, non-continuous burning pilot lights, insulated heating and cooling ducts, water heating insulation blankets, swimming pool covers, and appliances certified to be energy efficient. All new residential construction in the City of Norco requires building in accordance with Title 24 standards; and all new construction is inspected during the construction process, to insure that these standards are being complied with appropriately.

The largest expenditure of energy in residential structures is consumed in space heating and cooling (30%). The next largest categories are water heating (26%), refrigeration (11%), cooking (5%), clothes drying (4%), motors (4%), and color T.V. (2%). All other uses combine for 18% of the total amount. Additional energy conservation standards should be applied as appropriate, through efficient levels of insulation, elimination of gaps and holes in building exteriors, consideration of the location and shading of windows, efficient heating and cooling, and increased lighting efficiency.

Through compliance with Title 24 standards, the state has already been able to reduce energy consumption within new homes by up to 70% over homes



constructed prior to Title 24. Additional energy conservation measures may not be feasible at this time, given that the amount of conservation that can occur may not be equitable to the cost of implementation. For example, the installation of double-paned windows is an additional measure that can conserve energy resources used in heating and cooling, but may not make much of a difference in a mild climate.



Policy 2.7.4a, Compliance with the programs (Infill Housing, First Time Homebuyer, and low-interest loan Programs) of this update of the Housing Element will help the City towards its goal of being in compliance with its fair share needs of the regional housing supply.

2.8 GOAL - IMPROVE AND CONSERVE EXISTING RESIDENTIAL NEIGHBORHOODS

2.8.1 PRESERVATION POLICY: The City should seek methods of preserving and enhancing existing neighborhoods within the City through capital improvement planning and redevelopment programs.

Policy 2.8.1a. The City should insure that all eligible citizens are aware of the Redevelopment Agency's Deferred Loan Program designed to assist low and moderate income families to finance needed home improvements with low interest rate loans.

Policy 2.8.1c. The City should investigate a policy encouraging the combination and dissolution of non-conforming lots, where infill development is not practicable, possibly using animal keeping density bonuses as an incentive.

Policy 2.8.1d The City should identify existing non-conforming homes and preserve them as affordable housing units through the various redevelopment programs such as First-time Homebuyer. (Section 4.2.1)

Policy 2.8.1e. The City should identify capital improvements citywide, including maintenance and improvement of streets and trails, to preserve and enhance the identity of each of the City's neighborhoods.

Responsible Agencies: Redevelopment Agency, Engineering Department

2.8.2 CODE COMPLIANCE POLICY: The City will continue to pursue enforcement of the housing code, and the nuisance abatement program.

Policy 2.8.2a. The City should aggressively pursue the abatement of code violations and insure that households that qualify for assistance are aware of the Redevelopment Agency's Property Preservation Program. This can be used to fund improvements in low income households where financing the improvements may be beyond the capacity of the household in violation.

Policy 2.8.2b The City should eliminate abandoned homes and develop vacant and/or distressed properties through the Redevelopment Agency Distressed Property Program where funding is available.



The objective of the code compliance policy is the timely abatement of code violations and the preservation of affordable housing units.

Responsible Agency: Department of Community Development and Redevelopment Agency.

2.9 GOAL - PROVIDE FOR A DECENT HOME AND SATISFYING ENVIRONMENT FOR ALL RESIDENTS REGARDLESS OF AGE, RACE, SEX, MARITAL STATUS, ETHNIC BACKGROUND, INCOME, OR OTHER ARBITRARY FACTORS

2.9.1 EQUAL HOUSING POLICY: The City will promote equal housing opportunities and shall not discriminate against any person.

Policy 2.9.1a. The City should promote assistance in home repairs to senior citizens using the Senior Home Repair Program (Redevelopment) for qualifying households.

Policy 2.9.1b. The City should promote housing assistance opportunities through the Housing Accessibility Program, for low and moderate-income households with special housing needs as a result of one or more members within that household being disabled and needing specific household aids.

Policy 2.9.1c. The City should investigate the feasibility of establishing low-income rental assistance programs, especially as they can be applied to one-parent, and overcrowded households, to compliment the mortgage assistance programs currently being used by the Redevelopment Agency. The objective of the equal housing policy is to provide assistance to approximately 100 homes a year through the various housing programs.

Policy 2.9.1d The City should coordinate with other community groups in the City to ensure that the public is informed of all available programs.

Responsible Agency: Redevelopment Agency

2.10 GOAL - ENCOURAGE THE CONSERVATION OF ENERGY IN ALL RESIDENTIAL DEVELOPMENT

2.10.1 ENERGY CONSERVATION POLICY: The City will encourage increased application of active and passive solar energy systems in residential developments, and shall enforce energy standards required by the State Energy Building Regulations for residential development.



Policy 2.10.1a. The City should coordinate with Southern California Edison to ensure that the public is informed of all available programs providing incentives for the installation of energy conserving measures.

Policy 2.10.1b The City should make informational materials available to help applicants incorporate passive solar planning elements in subdivisions regarding lot and structure orientation, protecting solar access, and providing for the application of passive and active energy saving features.

The objective of the energy conservation policy is to encourage that new development incorporate as feasible resource conservation and efficient energy use. Various methods are available to low income households to reduce the consumption of non-renewable energy from programs offered by The County of Riverside Home Weatherization Program.

Responsible Agencies: Department of Community Development, and County of Riverside Community Action Department.

3.0 HOUSING NEEDS

3.1 POPULATION CHARACTERISTICS

The City of Norco, along with all California cities, has two outside primary sources for ongoing and updated population data. The first is the decennial U.S. Census which is an actual head count based on direct questionnaires to the population. The second source is the California Department of Finance (DOF) that provides updated population estimates annually. The DOF estimates are based on the latest census figures with annual changes factored in that reflect recent population trends, changes in the number of housing units, and the average family size. In the 1990 census, Norco had a population of 23,302. Between 1990 and 1995, the City grew by 965 residents to 24,267, an increase of 4%. The latest DOF estimate from January, 2000 has the population at 25,909, an additional gain of 1,642 which is about 11% over the 1990 figure. These population figures include the inmates at the California Rehabilitation Center which numbered 5,209 as of January 2000, up from 5,000 in the 1990 census. The City had an annual average growth rate of 1.3% between 1990 and 1995. That annual growth rate slowed to 1% between 1995 and 2000, but has seen a steady increase since. In the region, Norco represents 1.8% of the total population for Riverside County, which stood at 1,522,855 in January of 2000 as determined by the DOF. (It is important to note that the current numbers may change when the 2000 Census information is released. It is expected that the 2000 Census figures will be available in the year 2003.)



In addition to the overall growth that has occurred in the City, the composition of the population also changed which can affect the future housing needs of a community. As Table 3.1 and Exhibits 3.1 and 3.2 illustrate, the percentage of the population 65 years and older has increased from three to four percent (between 1980 and 1990) while the percentage that is 20 years old and under has decreased from 39% to 26%. The population group between 20 and 64 years also increased from 58% to 70%. A comparison with Riverside County, for the same time period, shows that the County has a more broad range of age distribution with 13% of the population over 65 and 33% under 21. This breakdown of the population statistics has remained fairly constant in the County over the last ten years. For the City, though, the trend has been towards an aging of the population generally. As Exhibit 3.4 shows many within this age group in Norco own their homes. This may eventually create more demand for senior housing assistance programs. In some instances, this segment of the population has a fixed amount of income with only so much that can be allocated towards housing. In some households this could limit their options with regards to home maintenance.

TABLE 3.1
CENSUS POPULATION STATISTICS

AGE GROUPS	1980	PERCENT OF 1980 TOTAL	1990	PERCENT OF 1990 TOTAL	PERCENT INCREASE	ANNUAL INC. 1980-1990	1995*	PERCENT INCREASE	2000*	PERCENT INCREASE
NORCO										
1-20	7,676	39%	6,065	26%	-21%					
21-64	11,500	58%	16,181	70%	29%					
>64	695	3%	1,056	4%	34%					
Total	19,871	100%	23,302	100%	17%	1.7%	24,817	6%	25,909@	4.3%

RIVERSIDE COUNTY

1-20	216,903	33%	382,800	76%	76%					
21-64	347,807	52%	632,940	82%	82%					
>64	98,456	15%	154,673	57%	57%					
Total	663,166	100%	1,170,410	100%	76%	7.6%	1,393,500	16%	1,570,885@	13%

@ - Includes inmates at prisons and firecamps: Norco - 5,200; Riverside County - 13,750

Source: U.S. Dept. of Commerce * California State Dept. of Finance Estimate

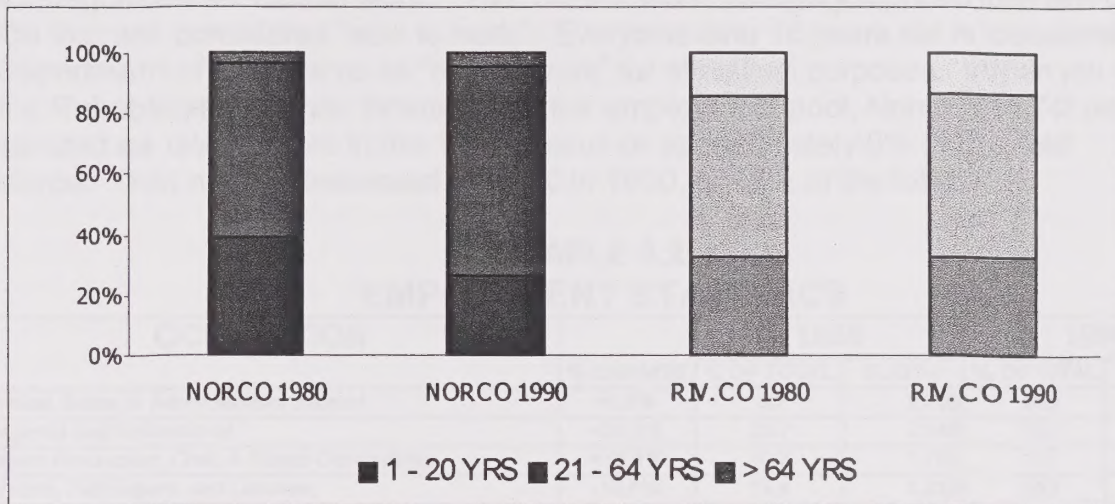


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EXHIBIT 3.1

NORCO/RIVERSIDE COUNTY POPULATION CHARACTERISTICS



3.2 EMPLOYMENT CHARACTERISTICS

The employment characteristics in the City of Norco have remained fairly constant in the decade between 1980 and 1990. In 1980, 40% of the population was employed. In 1990 that number was reduced slightly to 39%. The largest segment of the working population over 16 years is employed in the category "technical, sales, and administrative support jobs" as defined by the U.S. Census Bureau. In the 1980 and 1990 census' jobs in this category represented around 30% of the overall labor force residing in Norco. Within that category, the largest group was administrative support and clerical jobs, about one in seven of the total number of jobs in the City. The biggest trend in employment from 1980 to 1990 was a reduction in the percentage of the workforce in jobs categorized in operator, fabricator, and laborer professions. This represented a reduction of almost four- percent, compared against a comparable increase (4.5%) in managerial and professional occupations. There was a slight decrease in the percentage of the workforce involved in service-oriented jobs and a slight increase in farming and forestry jobs.

Housing statistics are based on the number of households and therefore do not reflect the CRC population. The population numbers however do include the inmates, and so the statistics show a higher percentage of the population not employed as compared to what the average is for the rest of Riverside County. In the 1980 census the total number of citizens that did not work was 2,244 compared against a workforce of 8,040, representing 22% of those within the working age group defined by the Census Bureau (> 16 years old).

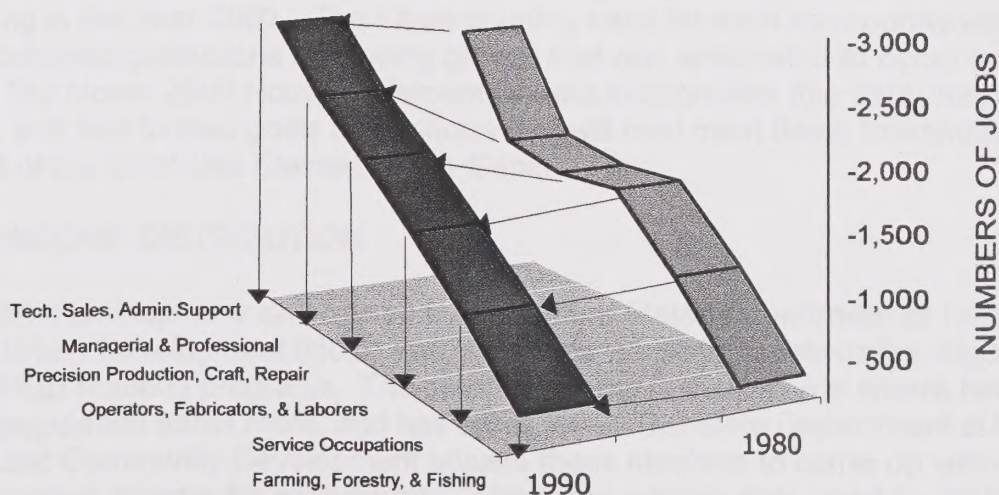


In the 1990 census, the City had 9,059 people in the workforce and 6,399 people that were categorized as “did not work”. The “did not work” category represented 34% of the 18,836 that are considered “able to work”. Everyone over 16 years old is considered by the Department of Commerce as “able to work” for statistical purposes. When you take out the Rehabilitation Center inmates from the employment pool, Norco had 743 people categorized as unemployed in the 1980 census or approximately 9% of the total workforce. That number increased to 1,400 in 1990, or 15% of the total.

**TABLE 3.2
EMPLOYMENT STATISTICS**

OCCUPATION		% CHANGE	1990		1980	
			% OF TOTAL	# JOBS	% OF TOTAL	# JOBS
Technical, Sales, & Administrative Support		+8.5%	30	2,706	30.9	2,477
Managerial and Professional		+28.2%	23.7	2,149	19.2	1,542
Precision Production, Craft, & Repair Occupations		+18.8%	19.3	1,752	17.7	1,423
Operators, Fabricators, and Laborers		-10.6%	14.4	1,313	18.3	1,469
Service Occupations		-7.0%	9.3	841	11.2	904
Farming, Forestry, and Fishing		+26.5%	3.3	298	2.7	219
TOTAL		+11.3%		9,059		8,034
Did Not Work	This category includes all citizens over 16 years of age that did not work for various reasons, including CRC.	+64.9%	6,399		2,244	

**EXHIBIT 3.2
EMPLOYMENT CHARACTERISTICS**



3.3 REGIONAL HOUSING NEEDS

State law requires each City to actively pursue its proportionate share of the region's housing needs based upon that region's income distribution. Those needs are addressed in the Regional Housing Needs Assessment (RHNA), one of four documents prepared by the Southern California Association of Governments (SCAG) to address future population growth, and how the area can best plan for the anticipated impacts. Specifically the RHNA addresses a community's existing housing need based on population, income, and housing stock; and how these statistics compare against related regional statistics. Based on the comparison, SCAG then makes quantitative recommendations for local agencies to include within their respective housing elements that will help them to better meet their share of the region's housing needs. These needs are categorized within specific household income classifications as determined by the State.

When a community's housing stock is found lacking in any household income classification as compared to what exists in the region, the RHNA recommendation from SCAG will attempt to equalize that inequity by recommending a greater proportion of housing for that income group within that community. In addition to the existing housing need, the RHNA also addresses the future housing need of a community based upon the forecasted growth in the number of households. State Housing Element Law requires Cities to maintain their existing housing as defined by the number of households in each income group at the beginning of the plan; and to include the additional units allocated to that community through the RHNA. The RHNA was last updated in 2000 but the figures are being contested because the forecasts are based on 1990 census statistics which showed much higher growth rates than what is occurring in the year 2000. The future housing need for each community was based on these outdated projections in housing growth that was anticipated to occur by June 1, 2005. The Norco 2000 Housing Element Update incorporates this data from the 2000 RHNA, and has formed goals and policies that will best meet these thresholds within the context of the Land Use Element of the General Plan.

3.3.1 INCOME DISTRIBUTION

Median income is determined by the United States Department of Housing and Urban Development (HUD) and is updated annually to determine eligibility for HUD housing programs. The median income is that income where half the population earns more, and half earns less. The State Department of Housing and Community Development adjusts these numbers to come up with the median income for each county. This is the primary data used by SCAG in determining a community's housing needs. By state law, SCAG is required to divide the population into four income groups represented as percentages of the



County median income. This is used to determine which household income groups are overly impacted because a community's monthly housing cost represents an inappropriate portion of those household incomes. The household income classifications are as follows:

Very Low Income: Less than 50% of the median.

Low Income: Greater than 50% and less than 80% of the median.

Moderate Income: Greater than 80% and less than 120% of the median.

Above Moderate Income: Greater than 120% of the median.

In Riverside County, the latest statistics show the median household income to be \$47,400.00. This is the median income for a family of four as of January 1999, which increased from \$42,300.00 in January 1995. HUD does not provide annually updated income data for individual cities. The breakdown of total Norco households within each of the income levels above is shown in Table 3.4. This is data from the 1990 census as it pertains to a family of four. Current data to determine the income mixture of housing units that now exists in the community is not available.

TABLE 3.3
1990 HOUSEHOLD INCOME

Income Group	1990 Household Income Limits	# Units	%Total
Very Low Income	< \$21,150.00	798	14
Low Income	\$21,150.00 - \$33,850.00	780	14
Moderate	\$33,850.00 - \$50,750.00	1,475	26
Above Moderate Income	< \$50,750.00	2,588	46

While, the City does not have a current breakdown of housing units into the income categories, the Table 3.5 shows the income limits based on the current County median household income. This information is used to determine qualification for Housing assistance programs as administered by the City and the County. The categories that the County and the City use are as follows.



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TABLE 3.4
2000 CITY/COUNTY PROGRAM INCOME LIMITS

Persons per Household	Very Low	Low	Median (100%)	Moderate
	< 50% median	>50% & <80%	> 80% to 100%	>100 % & <120%
1	\$16,600.00	\$26,550.00	\$33,200.00	\$39,850.00
2	\$18,950.00	\$30,350.00	\$37,900.00	\$45,500.00
3	\$21,350.00	\$34,150.00	\$42,650.00	\$51,200.00
4	\$23,700.00	\$37,900.00	\$47,400.00	\$56,900.00
5	\$25,600.00	\$40,950.00	\$51,200.00	\$61,450.00
6	\$27,500.00	\$44,000.00	\$55,000.00	\$66,000.00
7	\$29,400.00	\$47,000.00	\$58,800.00	\$70,550.00
8	\$31,300.00	\$50,050.000	\$62,550.00	\$75,100.00

3.3.2 EXISTING HOUSING NEED (ABILITY TO PAY)

The existing housing need is a determination of how many housing units are needed now to meet the existing demand of households that are paying a disproportionate share of income towards housing costs. More specifically it is a determination of overpayment by low-income households. Low-income households are those that earn less than 80% of the median county household income. Overpayment by those households is defined as housing payments that exceed 30% of the monthly income. Again, the latest data available for these determinations is from the 1990 census. SCAG uses these figures to determine the housing needs of each community within their jurisdiction.

To qualify as a Low Income Household (LIHH) with an existing need, the household must qualify on two accounts; first an annual income that is less than 80% of the County median, and second, the household must pay more than 30% of income on housing. A low-income household does not qualify as an 'existing need' if housing payments do not exceed 30% of the household income, even if the house itself may be substandard. Likewise, a household with moderate income that spends more than 30% of their income on housing is not considered to be an "existing need" household either.



TABLE 3.5
NORCO 1990 HOUSING COSTS AS A PERCENTAGE OF
HOUSEHOLD INCOME

Source: United States Department of Commerce

NUMBER OF HOUSEHOLDS (OWNER OCCUPIED UNITS)

Income Range	Payment as a Percentage of Household Income				
	0-19%	20-24%	25-29%	30-34%	35+%
< \$10,000	14	0	0	12	79*
\$10,000-19,999	83	29	16	0	163
\$20,000-34,999	195	69	40	58	249**
\$35,000-49,999	200	69	133	92	309
>\$50,000	1,158	443	381	212	189

* 41 Units not computed.

** 5 Units not computed.

NUMBER OF HOUSEHOLDS (RENTER OCCUPIED UNITS)

Income Range	Payment as a Percentage of Household Income				
	0-19%	20-24%	25-29%	30-34%	35+%
< \$10,000	0	0	7	0	121*
\$10,000 - 19,999	0	12	0	14	154**
\$20,000 - 34,999	22	60	51	31	75***
\$35,000 - 49,999	53	36	39	9	14
>50,000	116	96	10	7	0

* 16 Units not computed.

** 32 Units not computed.

*** 9 Units not computed.

In the 1988 RHNA, it was determined that Norco had 5,651 total households of which 1,277 were determined to be Low Income Households, and 556 had an "existing need". In the 1999 RHNA (Table 3.6) the percentage of low-income households has dropped, but the percentage of those with an "existing need" has increased. These totals are based on 1990 census data adjusted upward by SCAG to reflect housing growth between 1990 and 1999, as estimated by the California State Department of Finance. The same percentage of households within each income category was carried forward to the adjusted population data, and the number of units within each category was then updated appropriately. Table 3.6 shows how the City of Norco compares to Western Riverside County (WRCOG region) in terms of the number of low-income households (LIHH) and the number of low income households that are considered to have an existing need for affordable housing.



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TABLE 3.6
1999 LOW INCOME HOUSEHOLDS (RHNA)
EXISTING HOUSING NEED

	CITY OF NORCO				WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS REGION*			
	# OF HOUSEHOLDS		PERCENTAGE		# OF HOUSEHOLDS		PERCENTAGE	
TOTAL HOUSEHOLDS	5,902				335,701			
TOTAL LIHH	1,210		20.5 % OF TOTAL		128,914		38 % OF TOTAL	
LIHH WITH EXISTING NEED	738		61% OF LIHH	12.5% OF TOTAL	51,334		40% OF LIHH	15% OF TOTAL
TENURE OF LIHH # (UNITS)	OWNER	RENTER	OWNER	RENTER	OWNER	RENTER	OWNER	RENTER
VERY LOW (425)	223	202	52%	48%	8,431	20,395	29%	71%
LOW (313)	198	115	63%	37%	7,597	14,911	34%	66%
TOTAL	421	317			16,028	35,306		

* -Council consists of the cities of Norco, Banning, Beaumont, Calimesa, Canyon Lake, Corona, Hemet, Lake Elsinore, Moreno Valley, Murrieta, Perris, Riverside, San Jacinto, Temecula, and the surrounding unincorporated western County area.

The table indicates that a higher percentage of the Low Income Households (LIHH) in Norco are categorized as being in need (61%) than what occurs in Riverside County (40%). The translation is that households in the low income categories have a harder time obtaining adequate housing at a cost that does not overwhelm the household budget (exceed 30%). Based on the 2000 RHNA, Norco has an existing need of 738 affordable housing units; or 738 low-income households were paying more than 30% of their income on housing. This existing need determination is not a mandate to communities to provide that certain number of housing units in that income level, but is meant as a recommendation to guide policies within the General Plan Housing Element to accomplish the construction of new units and/or the creation of new programs to assist those households with the existing need.

In the 1989 Housing Element, the City stated as one of its objectives in the plan, the provision of 556 "new housing units" with no specification as to the affordability of the units. This was based on the RHNA for that year. No attempt was made to adopt or justify a set of numbers different from those contained in the RHNA. Since that time a total of 322 units have been constructed, 195 of them during the 1990-1995 Housing Element phase. Through redevelopment programs 83 households were established for "very low", "low", "medium", and "moderate" income families. An additional 427 units were assisted with redevelopment funds, all but 3 of which were very low or low income households to help preserve that housing stock in the City.



The City will continue with the various redevelopment programs to provide additional housing units; and provide household assistance through this Housing Element cycle. With these programs the City was able to provide 40 new affordable units reserved for very low incomes. Through the First-Time Homebuyer Program (**FTH**) 36 affordable households were created from existing units. One additional unit was created through the Infill Housing (**INFILL**) Program which was a substantial rehabilitation rather than a new unit. In addition to this, funds were used for the purchase of property that should result in more new affordable units in the Infill Housing Program with this cycle of the Housing Element.

	VL	LOW	MED.	MOD.	TOTAL
FTH	1	7	12	16	36
INFILL	-	1	-	-	1

With four home improvement assistance programs the City has been able to encourage the preservation of homes that are currently occupied by low and moderate income families, and that without assistance might otherwise deteriorate to the point that they would not maintain their suitability for housing. The first two programs are related to sewer hook-ups which is a now a requirement for all residences in the City. The Sewer One program offers low interest loans (3% and 5% interest rates) that allow low and moderate income residents to install sewer laterals to the sewer main. The second program (**SPII**) is a program targeted at senior citizens who also need hook-ups but are unable to afford the cost. The loan program is not counted toward the City's RHNA recommendations, and is therefore not reported here, however, homes assisted through the **SPII** program are shown below. Of these, 263 homes housed senior residents within the "very low" income category, with 18 in the "low" income category. While these units do not help the City to meet its existing need, they insure that the City will comply with State Housing Element Law that requires each City to maintain the number of affordable units that existed at the time of the adoption of the RHNA.

The City is required to maintain the same number of affordable units while they implement programs to meet the additional "existing need" number of units recommended in the RHNA. Another program the City uses to maintain existing units within an affordable range, and also to increase the number of units in that range, is the Deferred Loan Program (**DLP**). This program is designed for home improvements to maintain the livability of structures; improvements which otherwise would not be available to low income households. An additional program is the Code Compliance Program (**CODE**) which consists of two separate programs: the Distressed Property Program and Property Preservation Program. Both programs are designed to assist low income households with



improvements that will bring homes into compliance with current building and zoning requirements.

	VL	LOW	MED.	MOD.	TOTAL
DLP	44	2			46
CODE	5			2	7
SPII	263	18			281

In addition to the above programs, 146 very low income senior citizen and/or disabled citizen households received maintenance and home improvement assistance through the Housing Accessibility (**HAP**) (handicap access improvements) and Senior Home Repair Programs (**SHR**).

	VL	LOW	MED.	MOD.	TOTAL
HAP	4				4
SHR	73	65	1		142

The City will continue to pursue policies and opportunities to provide a range of housing for all income levels in accordance with the City's Land Use Element. Since the City is primarily built out it is unlikely that the City will be able to achieve the number of new affordable units in the next five or ten years that it will need to satisfy RHNA recommendations. The attainment of more affordable units continues to be an overall goal of the City, however, it will take more than one or two cycles of the Housing Element to accomplish an equitable amount of units.

3.3.3 FUTURE HOUSING NEED

As Table 3.6 indicates, a higher percentage of the households in the Western Riverside Council of Governments (WRCOG) region fall within the Low-Income Household range than do in the City of Norco. Additionally, there is a higher percentage of low-income households with an existing need in the City than there is in the WRCOG region. One of the primary goals of the RHNA is to avoid areas of "impaction" and to try and equalize existing imbalances between areas of "impaction" and areas that do not have a fair proportion of the area's stock of affordable housing units. An area is considered impacted if it has more than the regional average of low-income households. In addition to the "Existing Need" the RHNA attempts to forecast future housing growth and desegregate these future units according to income category for each of the local jurisdictions.



For areas that do not have a fair proportion of affordable units, the recommended numbers of households in those income categories are adjusted 25% of the way toward ultimate equity. And vice-a-versa for communities which are "impacted" with low income households. Since the City of Norco currently does not contain its proportional amount of low-income households, the recommended number of units to be provided in these price ranges has been adjusted toward a long-term goal of equalizing the imbalance.

The preliminary "Future Housing Need" for the City of Norco, therefore, is estimated to be 1,096 units that would need to be constructed between January 1998 and June 2005, of which 197 need to be affordable to households of very low income and 132 need to be affordable to low income households. This translates into an annual construction need of 146 units. This annual construction need is broken into income categories as shown in Table 3.7. It is these 329 low and very low income housing units that the City needs to focus on in its housing element to accomplish its share of the regional housing growth that is expected to occur between 1998 and 2005. The remaining 768 units are within the moderate to high-income categories.

The rate of new home construction is directly related to economic conditions that City does not control. During the 1990's the rate was 10-15 units per year. In the year 2000 the rate is significantly higher (approximately 15-20 units per month), but the economy ultimately determines how long that rate of construction will continue. At the current rate the City will be able to attain its construction need for above moderate income households since the market tends to meet this housing demand without incentive. Market forces generally do not meet the housing demand for "very low" and "low" income households without government assistance.

TABLE 3.7
FUTURE HOUSING NEED (RHNA)
JANUARY 1998 TO JUNE 2005

NUMBER OF UNITS	VERY LOW INCOME		LOW INCOME		MODERATE INCOME		ABOVE MODERATE INCOME		TOTAL
TOTAL CONSTRUCTION NEED	197	18%	132	12%	231	21%	537	49%	1,096
ANNUAL CONSTRUCTION NEED	26		17		31		72		146

Over the previous cycle of the Housing Element, the City was able to provide 36 additional units through the First-Time Homebuyer Program, which uses redevelopment financing (see the Norco Redevelopment Project Area Implementation Plan). These 36 units reduce that number that was determined to be the City's Future Housing Need in 1995. In addition, 46 new units were created through the deferred loan and infill programs including the construction of 40 senior housing units in the very low-income bracket.



3.4 EXISTING HOUSING CHARACTERISTICS

The housing stock in the City of Norco is categorized in different ways, each describing the existing condition of the total number of units in the community. The first category breaks down the housing stock based on the **types of units**, whether the units are single family (separate) or multi-family (apartment) units, and then how many bedrooms are available on average, which moderates the types of households that can exist in the community. The **tenure of units** (i.e. rented or owned) also plays a role in the determination of housing units available in the City and to what income groups these units can be affordable, since it is generally the case that rented units have a lower monthly cost than owner-occupied units. The **vacancy rate** of a community's housing stock, which is enumerated in the U.S. Census, is an indicator as to what types of units the City may be lacking in terms of high market demand and low unit availability, and where the General Plan needs to focus to provide more units within that income category. Another housing characteristic that is addressed in this section, and which can have a long term affect on future housing supplies is the **condition of the housing stock**. An analysis of conditions can help the City to identify programs that will preserve existing units which can be available to a wider range of household incomes.

3.4.1 Types of Housing Units.

The City of Norco is primarily a single-family housing community because of the City's goal statement of supporting a small plot agricultural/animal-keeping lifestyle. In January 2000 the City had 6,177 housing units of which 5,853 were single-family detached units. There are 82 units classified as single-family attached and 56 units in complexes consisting of two to four units per structure. The remaining units were located in buildings containing five or more units per building or were otherwise not included in the survey because they did not fall within one of the categories. As the table below indicates approximately 95% of the City's housing units are single-family.

TABLE 3.8
HOUSING COMPOSITION

HOUSING TYPES	# OF UNITS	% OF TOTAL
1 UNIT DETACHED	5,853	95.1
1 UNIT ATTACHED	82	1.3
2 - 4 MULTI - UNITS	56	0.9
5 & MORE MULTI - UNITS	163	2.7

3.4.2 Tenure of Housing Units

In January 2000, the City had a total of 6,177 units out of which 5,971 were occupied (96.7%). Of these occupied units, 4,608 were owner occupied and 984 were renter occupied. The pattern of tenure (owner -v- renter) varies depending



on the age of the household's occupants. As would be expected, the younger the householder, the greater the percentage that live in rental units. And likewise, as the age of the householder increases, there is a general increase in the percentage of that population segment that lives in owner occupied units. Table 3.8 shows the tenure of the City's occupied housing stock disaggregated by age of householder.

Riverside County shows the same general pattern in tenure as the City of Norco with the exception that more of the population across the spectrum lives in renter-occupied units, with the greatest discrepancy in the age group between 15 and 24. In this age group 60 percent of the population in Norco lives in renter-occupied housing, while the comparison in the County is 80 percent. Given the City's stated goals of maintaining an agricultural / animal-keeping lifestyle, there are only a few multi-unit residential complexes in the City. Typically, multi-family units allow a community to meet a wider range of affordable housing needs, especially for younger families. Norco does have programs to increase the housing options available for lower income families.

A comparison to the population statistics in Exhibit 3.1 shows that the City of Norco has roughly the same percentage of its overall population in the 20 and under age range; and that even though the development of apartment style residential complexes is not generally permitted, the City has an appropriate number of units in the rental market to maintain a population base similar to County averages. As has been described in previous sections, the City has a number of programs that are designed to increase the number of affordable housing units in the City and to maintain the existing affordable housing stock, but staying within the parameters of the goals of the Land Use Element to maintain the small-plot agriculture and animal-keeping residences.

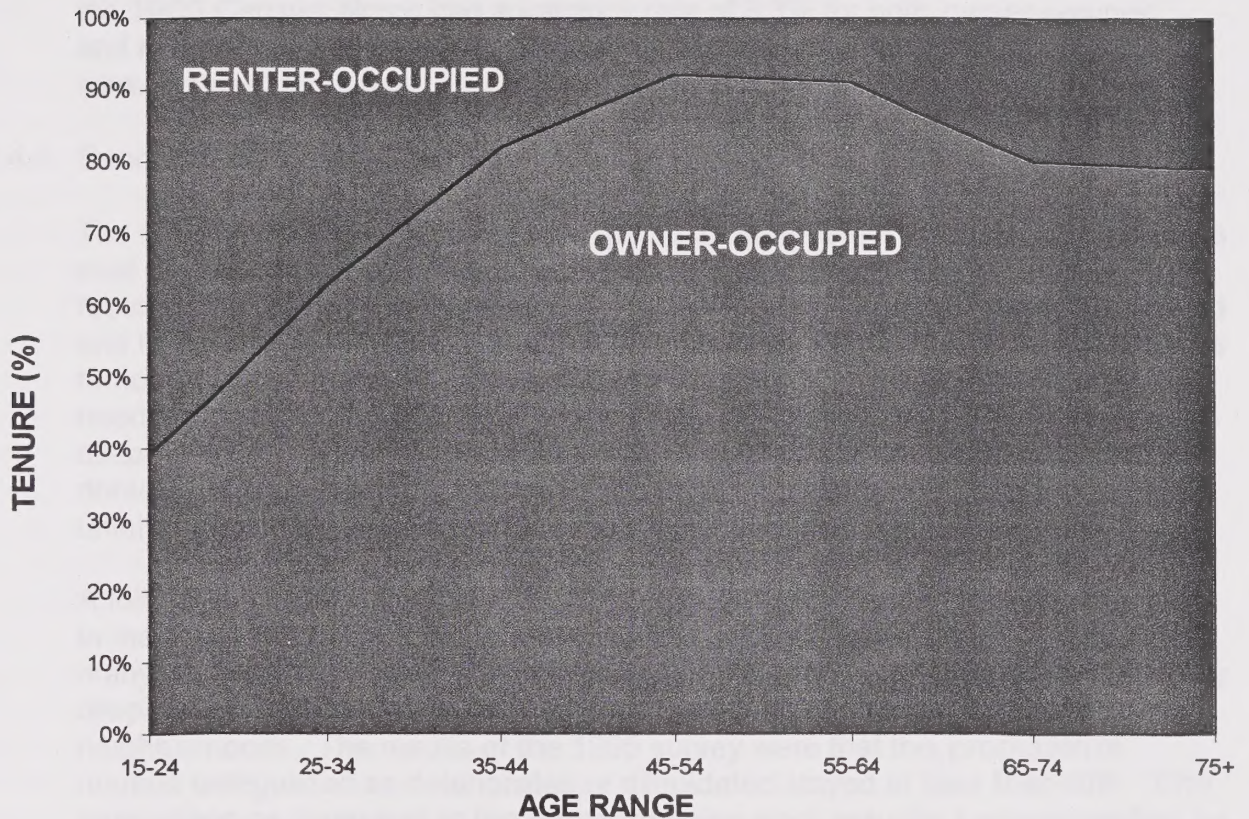
TABLE 3.9
HOUSING TENURE FOR EXISTING HOUSING UNITS

AGE	OWNER OCCUPIED	%	RENTER OCCUPIED	%	TOTAL
15 - 24	36	39	57	61	93
25 - 34	542	63	319	37	861
35 - 44	1,272	82	283	18	1,555
45 - 54	1,547	92	133	8	1,680
55 - 64	750	91	75	9	825
65 - 74	346	80	86	20	432
75 +	115	79	31	21	146
TOTAL	4,608		984		5,592



EXHIBIT 3.4

HOUSING TENURE CHARACTERISTICS



3.4.3 Vacancy Rate.

For housing availability, the vacancy rate of a community's housing supply plays an important role to insure that an appropriate number of units are available. If the vacancy rate is too high, this can have negative impact on the community and the investment concerns of its citizens. If the vacancy rate is too low, it may be that there are not enough units in any one income category to meet existing market demands, and that a portion of the population may be being denied housing opportunities. The State Department of Housing and Community Development has determined that an appropriate vacancy rate for urban areas is 4%, which insures that the mobility needs of the population can be met while the investment concerns of a community are protected. This vacancy rate applies to both owner-occupied and renter-occupied units. The Southern California Association of Governments in the RHNA determined that appropriate vacancy



rates for SCAG local agencies is 2% of single-family units and 5% of the multi-family units. The City's "Existing Needs" identified in Section 3.3 of this document were calculated by SCAG to achieve these optimal vacancy rates. In the 1990 Census, Norco had a vacancy rate of 3.3% for both owner-occupied and renter-occupied units. All of the identified vacant units (193 out of 5,785) were single-family units.

3.4.4 Condition of Housing Stock.

The City's most recent housing survey was done to determine housing conditions east of the Interstate 15 Freeway, divided into 34 separate neighborhoods. The result of the survey was that less than 10% of the housing stock was deteriorated and in need of rehabilitation; and that 29 units were dilapidated and needed to be removed and/or replaced. A deteriorated structure is one that is defined as needing repair work that is beyond the scope of normal housing maintenance. A dilapidated unit is one in which there is a combination of critical and intermediate defects, or there is a defect severe enough that it renders a structure uninhabitable. These units require considerable repair, or replacement.

A follow-up windshield survey was conducted in 1995 identifying neighborhoods in the City where deteriorating or dilapidated houses were located, and how many units within each neighborhood could be classified as either deteriorated or dilapidated. Specific site by site surveys were then conducted for those neighborhoods. The results of the 1995 survey were that the proportion of houses categorized as deteriorated or dilapidated stayed at less than 10%. The percentage as compared to the overall housing stock actually became smaller as a result of new home construction and the improvement or removal of previously deteriorated structures. The City issues approximately 2,000 permits for improvements to existing houses each year with no differentiation between alterations for cosmetic reasons, and alterations for the improvement of defective necessary living standards. The City issues on average five permits a year for the removal of structures (residential and non-residential). On-going programs in the City are continuing to assist low-income households in financing necessary improvements to maintain livability and avoid future demolitions.

An additional factor in the consideration of the housing stock, is the age of existing structures. In the City of Norco approximately 63% of the existing housing units were constructed between 1960 and 1980. Fourteen percent were constructed between 1950 and 1959 and 10.2% were constructed before 1949. The units of general concern are those that were constructed in 1939 and before, which would be 55 years old and upward. The 1990 census showed Norco to have 324 such units, or 5.5% of the total housing stock. While the City does issue some residential demolition permits annually, more units have the potential



to fall into a condition of dilapidation from age, without the implementation of the programs mentioned above.

3.5 HOUSEHOLDS WITH SPECIAL NEEDS

There are segments of the population that because of unique living conditions require focused attention in the Housing Element so as to make sure their needs are being met in the housing market. Typically, market-driven housing developments are focused towards the largest and most profitable segment of the population, so it is important that the Housing Element address the overall ratio to which these special groups have a need for units within the market and how they are being accommodated in the housing mix. **Disabled** persons have two areas of concern, the first being access in the housing unit, the second being the additional costs associated with providing physical improvements and the ongoing maintenance costs of this type of household. Another segment of the population with specific needs different from the general population are **senior** citizens because of their general need for smaller and more affordable units or those who own homes and need help with the upkeep. Housing for **large families** can be a concern for low-income families because of the high cost of providing suitable housing that is larger than the average unit size. The result can be overcrowded living conditions which can affect the overall quality of life, both for the household, and for the community. Another segment of the population with special needs are those with **females as heads of households and/or single-parent households** because oftentimes there are child care needs conflicting with the need for income and a generally lower level of income that occurs in this segment of the population. Because of Norco's emphasis on an agricultural lifestyle, there is a segment of the population that is here only during certain times of the year to work as **farm and ranch hands**. The housing needs for this segment of the population are much less than standard household. The two last housing categories that need to be addressed are transitory or temporary in nature and include **emergency shelter** for those temporarily displaced because of disasters, and temporary shelter from the elements for the **homeless**.

3.5.1. Disabled Household Needs

The 1990 Census describes disability under three terms: the first being a limitation on mobility, the second being a limitation on self-care ability, and the third being a disability from work. Because of the limitation on work, households with one or more persons with disabilities can have a potential for lower incomes. The City has programs to assist low-income households regardless of who the occupants are, therefore, the intent of this section is to address the additional physical needs that face persons with physical disabilities.

The City currently has a population of 16,767 non-institutionalized people over 15 years of age based on the latest State Department of Finance statistics and



using the same age breakdown percentages from the 1990 census. Of those, 86% do not have any limitations on mobility or self-care as a result of disabilities. One thousand two hundred and sixty-six (1,266) claimed in the 1990 census to have a limitation in mobility but not a limitation in self-care abilities, while 271 claimed a limitation in self-care but were not limited in mobility; and 181 have limitations in both mobility and self-care. The needs for residents with mobility limitations are currently being met by the Riverside Transit Agency through a dial-a-ride service with specialized transportation vehicles for those who are not able to provide their own transportation or reach established boarding areas for the city bus routes. The primary concern of the Housing Element, therefore, is to provide the means by which the residential needs of disabled citizens can be met in the City's housing supply.

The percentage of the population 16 years of age and older that have limitations on self-care, including those that are categorized as having both types of limitations, is 3.5. There is not a source that counts how many residences in the City are currently equipped to handle the needs for disabled citizens because the related house improvements can tend to follow the household rather than stay with any particular structure. The City, therefore, needs to have programs to insure that all affected households have the means to be able to provide the necessary improvements on an as-needed basis. Through the Redevelopment Agency, the City is able to offer assistance to qualifying low-income households to provide the necessary improvements that will make them accessible as needed. Through this program the Redevelopment Agency has assisted four households since 1991. Additional households will be assisted as the need arises.

3.5.2. Senior Household Needs

Senior citizens are a special concern because in many instances, the household incomes remain much more static than the price of the community's housing which can rise faster and higher in comparison. In Norco, the City's stated goal of preserving an animal-keeping lifestyle is not generally suitable for senior citizens whose needs, abilities, and recreations have changed. In the 1990 census approximately 4.5% of the total population was 65 years of age and older. Within this age group, 4.2% fall below the poverty line. The City currently has two senior housing complexes consisting of 86 and 40 units respectively. In the 86-unit complex (Heritage Park) 20% are required to be reserved for low-income households per a development agreement with the City. The 40-unit complex (Clark Terrace) is reserved for very low-income households. These units were developed in conjunction with the County using HUD 202 funds and redevelopment funds. As of August 2000 there was only one vacancy between the two complexes. The percentage of senior citizens currently living in the City



is below the average for Riverside County (3.9% -v- 15%)(Table 3.1). For this reason, the City is working with the County to provide additional senior housing options. A second phase of Clark Terrace is being processed for approval at the writing of this update.

Norco is one of 16 participating cities in the Riverside County CDBG entitlement program and receives an allocation based on the HUD fair share formula. Low-income senior housing has been identified as a priority goal in the western Riverside County region. The continued development of Phase II of Clark Terrace and other senior housing projects will meet the senior housing needs of the western county area and will also insure that Norco has an adequate supply of low-income senior units, given that the only existing affordable units are currently filled.

An additional concern is the number of senior citizens that are aging in units that in some cases need maintenance and repairs to maintain the livability of the structure; improvements which may not be affordable to the homeowner. These citizens then have few or no options but to stay in these units because affordable senior housing alternatives are not available. The City will continue to encourage the improvement of low- and very low-income senior households with the Senior Home Repair Program (Section 3.3.2), including upgrades for accessibility in senior households that will be improved as the need arises.

3.5.3 Large Family Household Needs

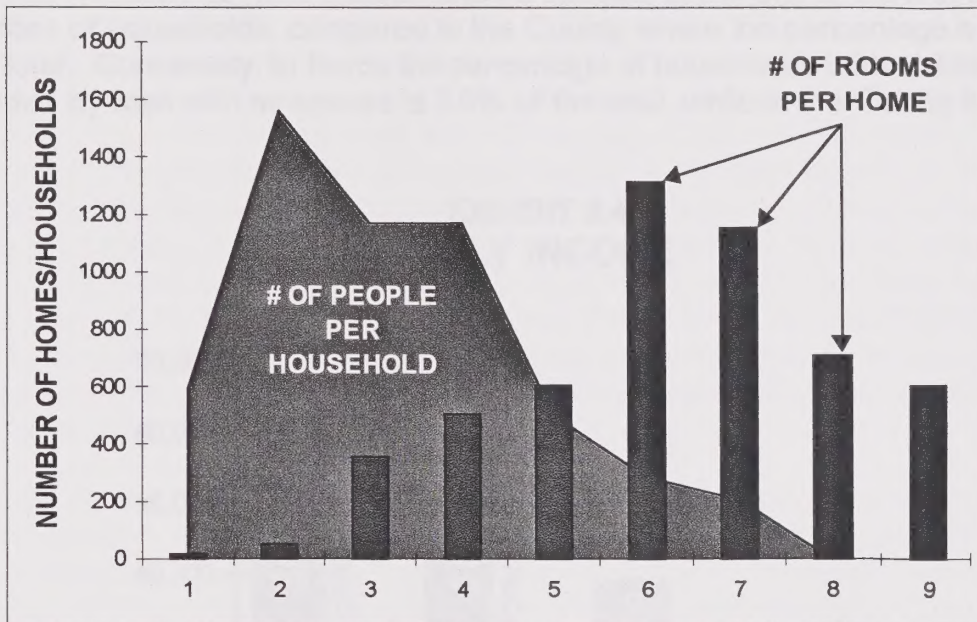
The concern about large families is the potential for overcrowded conditions if adequately sized housing cannot be obtained. The U.S. Census Bureau has defined overcrowded conditions as households with more than one person per room (not including bathrooms, kitchenettes, laundry rooms, and other ancillary rooms). A room is defined by the Census Bureau as a whole room used for living purposes. An analysis comparing household sizes in the City and the number of large units that are available in the market to meet the needs of the large families is shown in Exhibit 3.4. The exhibit compares the housing units based on the number of rooms per unit, against family size. The exhibit shows that there are adequately sized housing units within the City of Norco to meet the size requirements for the City's families, notwithstanding other factors that may affect a family's ability to obtain an adequately sized home. The average family size is 3.4 while the average house size is 6.3 habitable rooms. The concern is whether large families are able to obtain the home sizes they need.

In the 1990 census, approximately 14% of the renter occupied households, versus 4% of owner occupied households, were categorized as overcrowded. Currently the City has programs available to assist qualified families in obtaining



adequate housing through its First-Time Homebuyer and Infill Housing Programs, both of which are purchase assistance programs. Currently there are no rental assistance programs. This phase of the Housing Element includes a goal to investigate the feasibility of creating a new rental assistance program.

EXHIBIT 3.3
FAMILY SIZE -V- HOUSING SIZE



3.5.4 Females as Heads of Households and Single Parent Household Needs

The primary concern in this segment of the population is households where, for one reason or another, there is only one parent, which creates conflicts between the economic needs of the home and the daycare needs of the family. Historically females in this situation, and without assistance, have earned less income than the rest of the population in general, restricting their ability to provide for both housing and daycare. The statistics from the 1990 Census show that households with children, headed by a single female, earned approximately \$10,000.00 less than the equivalent household headed by a male (Exhibit 3.5). In 1992, a day care center opened at the Riverside Community College campus that is available to all qualifying low and moderate income households. The center was partially funded with redevelopment agency funds.

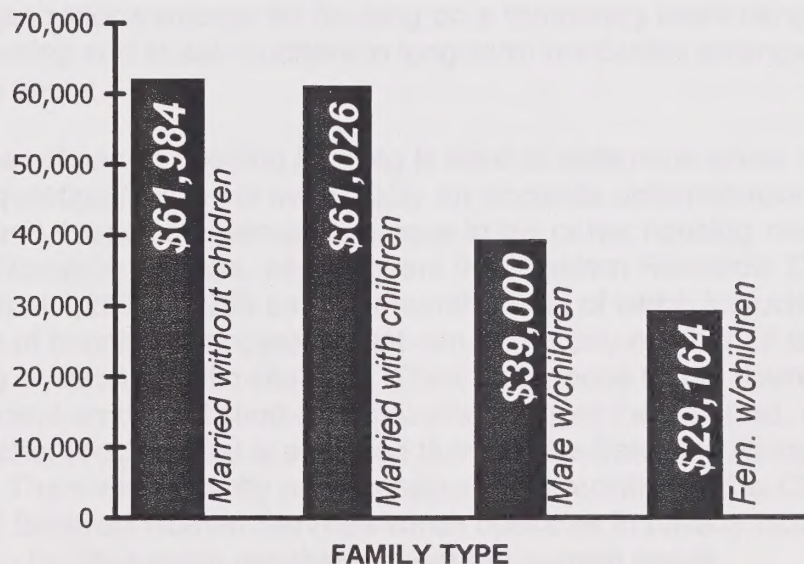
The average income for a household headed by a single female falls within the low income category as delineated in Table 3.1, whereas the average incomes for other households are moderate or above moderate. Approximately 30% of



households headed by females in Norco had children living below the poverty level, which is approximately 80+ families. The existing assistance programs are established for home mortgages and repair assistance on owner-occupied units. The City will investigate the feasibility of, if feasible, a renter assistance program for female-headed and/or single parent households

With existing housing programs, female-headed households can be eligible to qualify for housing assistance based on income level. The percentage of female headed households (with children and no spouse) in the City is 4.3% of the total number of households; compared to the County where the percentage is 5.6% of the total. Conversely, in Norco the percentage of households with children headed by men with no spouse is 3.0% of the total, while in the County it is 2.0%.

**EXHIBIT 3.4
FAMILY INCOME**



3.5.5 Emergency Shelter Housing Needs

There are generally two types of emergency housing that communities need to be aware of. Long-term homeless housing needs are discussed in the following section. This section addresses that portion of the population that, for whatever reason, is prevented for returning to their own residences. This could be due to natural disasters or disrupted domestic situations including run-away youth and domestic abuse. The City has an emergency operation plan in accordance with the State's Emergency Shelter Program to accommodate people who have been



Norco

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temporarily displaced due to natural disasters. The primary purpose is to provide locations that have restroom/shower facilities, and secondarily, cooking facilities. The City's community gym at Alhambra Street and Hamner Avenue is the first location to open, followed by Corona-Norco Unified School District facilities and City Hall once the community center is full or not available. After preliminary emergency housing is established, private organizations, including the Red Cross, the Salvation Army, and the United Way, in cooperation with the City, take over the task of meeting the longer term temporary housing needs.

The other type of temporary housing need is caused primarily from family disputes, putting people not adequately prepared to obtain immediate housing, and with no other place to stay, onto the streets. Currently the needs of this group of people are being met through programs operated by private and non-profit organizations including churches and shelters, most of which operate on a regional basis out of Riverside. These organizations include those already mentioned above, and the Riverside Community Action Group, Battered Women's Services, Catholic Charities, and the Corona Christian Fellowship. These organizations arrange for housing on a temporary basis ranging from shelter housing and motel vouchers to long-term residential arrangements for substance abuse.

The number of people needing housing is hard to determine since the number of people requesting help is not necessarily an accurate determination of how many actually need it; and each person is unique in his or her housing needs. The Battered Women's Services, which covers the Western Riverside County area, receives from 1,200 to 1,300 calls per month, most of which include a request for some type of housing arrangement that can be for any number of days depending on each specific situation. Their experience is that there is generally not a sufficient amount of short-term housing to meet the demand, especially the motel voucher program that is arranged through the Salvation Army and Catholic Services. There are currently no separate shelter facilities in the City of Norco. Outside of Battered Women Services which operates in privacy out of necessity, the existing facilities seem capable to meet the current needs.

3.5.6 Farm and Ranch Hand Housing Needs

State housing law requires housing elements to address groups with special housing needs including migrant farm workers. In the 1990 census approximately 300 people were classified as working in farming, forestry, and fishing occupations. The City does not have an additional breakdown of this number; however, the majority of these are jobs related to animal maintenance professions. The City currently allows for the construction of Secondary units



and Caretaker units, however, these are generally meant for permanent residence and meant to accommodate a family.

3.5.7 Homeless Housing Needs

Currently there are three locations within the Corona/Norco area for housing the homeless. These centers are also places that provide temporary housing for emergency domestic situations. They treat all homeless cases on an equal basis. While they are temporary, there is no limitation on the number of nights that can be spent by any one person at either of the locations. The first location is The National Guard Armory in Corona that is operated in winter months and during inclement weather conditions. The armory homeless shelter is operated by the County, with State funding, and closes just before spring each year. This facility can accommodate up to 100 people and generally has around 70 per night. Residents have shower facilities available and local churches help in providing the meals.

A second facility is operated by the Corona Christian Fellowship through private donations. This facility has a capacity for 32 people and is generally at or near capacity during inclement weather. When weather does not preclude sleeping outdoors, less people request to stay overnight in both of the shelters. A third regional center in the City of Corona was established by the County Department of Community Action (DCA). The center has both shower and cooking facilities for the homeless, and sleeps up to 30 males, 20 females, and 4 or 5 families. It is run by a private foundation.

The DCA has estimated the number of homeless individuals in the County on a regional basis. The City of Norco is included in the Corona statistical area which accounts for 5.8% of the total homeless in the County. According to the DCA, the newest center (third center) is sufficiently sized to meet the homeless needs in this area. Norco, however, should closely cooperate with the various private and county social agencies to monitor the number of homeless and to assure that there are adequate facilities to meet the demand.

State housing law requires housing elements to address groups with special housing needs including migrant farm workers. In the 1990 census approximately 300 people were classified as working in farming, forestry, and

4.0 IMPLEMENTATION MEASURES

One of the requirements in the State General Plan Guidelines to be included in a City's housing element is a discussion of suitable land for residential development including vacant land, how much residential development can be anticipated through



redevelopment programs; and how the City's zoning and public facilities effect the developability of these various locations.

4.1 LAND AVAILABLE FOR RESIDENTIAL DEVELOPMENT

4.1.1 VACANT LAND

The City of Norco is nearing buildout conditions in its residentially zoned areas; and currently the City's sphere of influence does not cover much more area than what is within the City limits. The significance being that under the existing political geography, there will not be a significant amount of area in which the City can have future residential growth unless the City boundaries and/or the sphere-of-influence change. What vacant land does exist falls within two categories, large open tracts of vacant land for development of planned residential neighborhoods, and single vacant parcels within developed residential areas that are still unused.

The only large tracts of land that are still vacant and do not have any proposed developments in process are shown on Exhibit 3.6. Out of three identified areas, one is within City limits. This site is currently zoned "M-2" General Manufacturing and is being used for an industrial use. It is anticipated that eventually this site will be converted to residential uses, but the timeframe for this conversion is not known.

The other two areas are in the City's sphere of influence where residential development could ultimately occur. The first consists of approximately 61 acres on the northeast city boundary just north of Arlington Avenue. Approximately 16 acres of these have been purchased by the State and developed into a public golf course. On the remaining 45 acres there ultimately could be another approximate 50 units developed. The second area is located on the southwest side of the City consisting of approximately 100 acres southwest of Stagecoach Drive, where approximately 120 units may someday be developed.

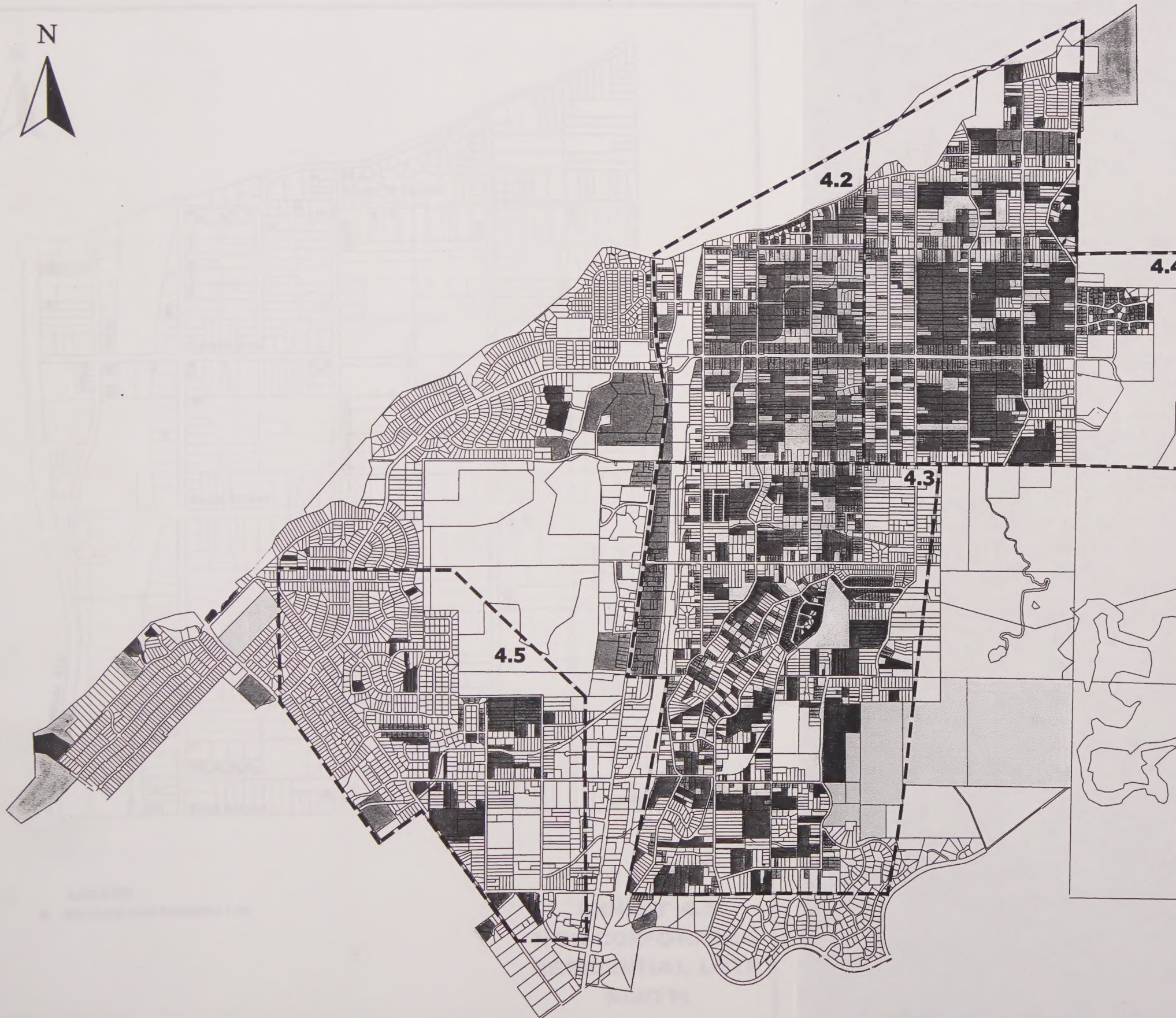
The other vacant parcels in the City consist of small lots located within the developed neighborhoods (Exhibits 3.7-3.9). Many of these lots are substandard to the underlying zoning as a result of historical land divisions and/or new street alignments creating "leftover" parcels that cannot meet current city standards. The Norco Redevelopment Agency has a program (Infill Housing Program) whereby these lots can be developed for low and moderate-income families which is discussed in Section 4.3.3. If the lots can not be developed with infill housing, then the City encourages the combination or dissolution of non-conforming lots in order to increase the animal keeping density or agricultural land in areas where desired.



In addition to the single-family residential zones, the City's zoning codes allow for the development of multi-unit senior housing projects in all zones, with an approved conditional-use-permit. While senior housing can be developed anywhere in the City, there currently is only one project being proposed on vacant property. The project is a 40-unit second phase of a HUD 202 senior housing complex (Clark Terrace II). Construction is scheduled to begin in year 2001 and should be completed in one year.



N



LEGEND

HOUSING OPPORTUNITIES

 LARGE FUTURE HOUSING DEVELOPMENTS (WITHIN CITY LIMITS)

 LARGE FUTURE HOUSING DEVELOPMENTS (SPHERE OF INFLUENCE)

 HIGH DENSITY SENIOR HOUSING OPPORTUNITIES

 UNDERDEVELOPED RESIDENTIAL DENSITY (EXISTING ZONING)

REDEVELOPMENT HOUSING OPPORTUNITIES (PRESERVATION AND/OR DEVELOPMENT)

 NON-CONFORMING LOTS (A ZONE)

 NON-CONFORMING LOTS (R ZONE)

 NON-CONFORMING VACANT LOTS (EXHIBITS 4.2-4.5)

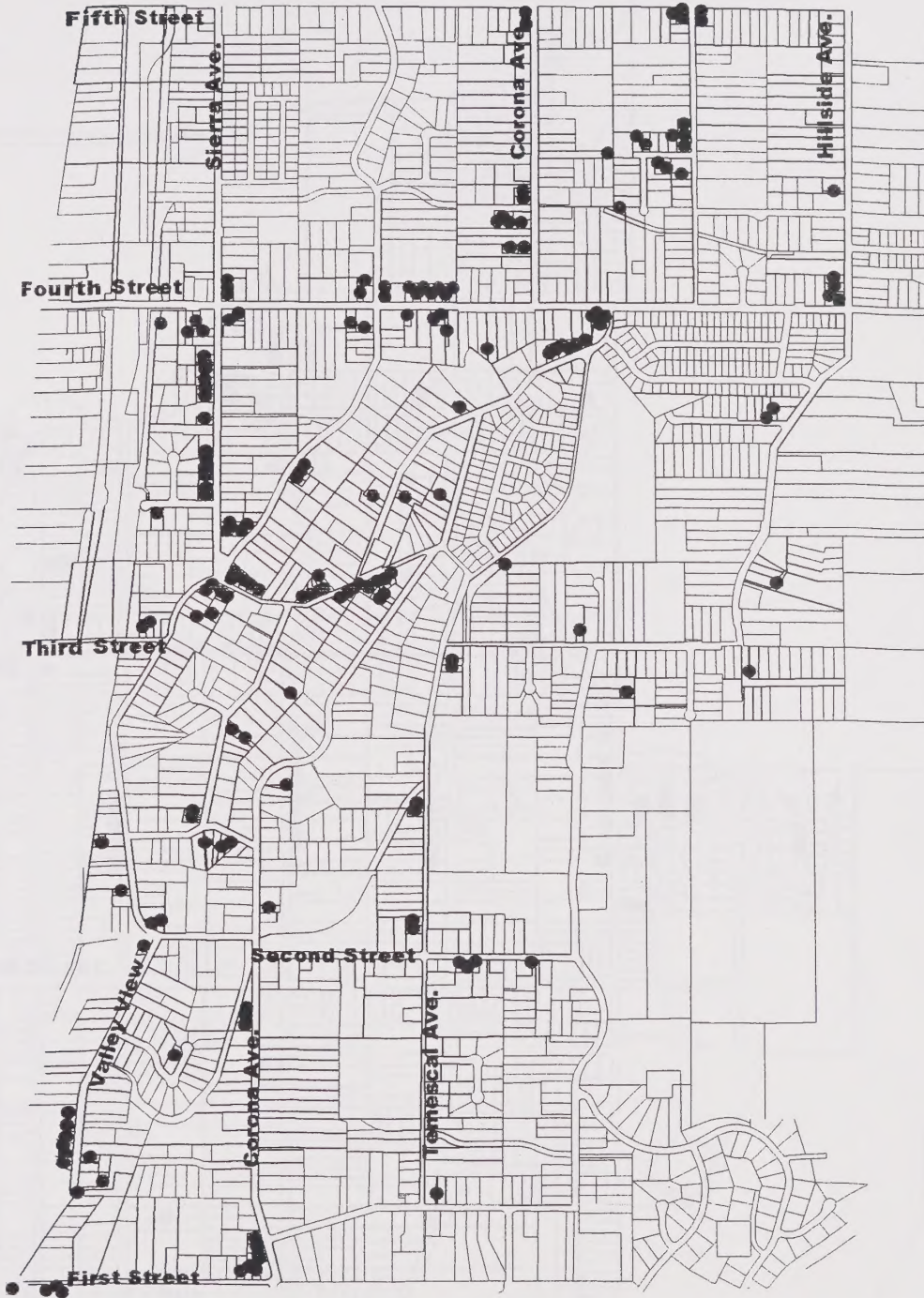
EXHIBIT 4.1
HOUSING OPPORTUNITIES



LEGEND

- Non-Conforming Residential Lots

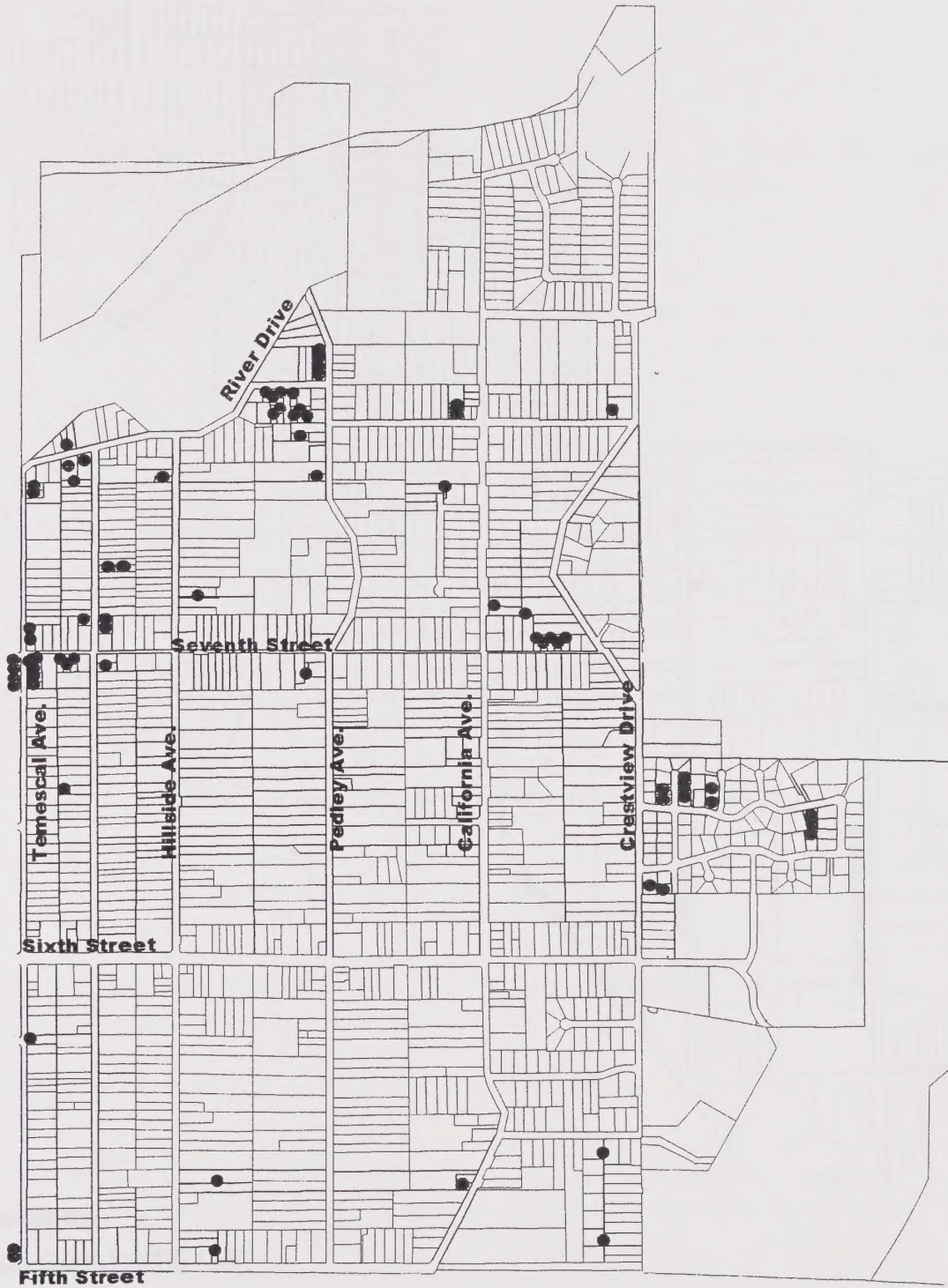
EXHIBIT 4.2
NON-CONFORMING
RESIDENTIAL LOTS
NORTH



LEGEND

- Non-Conforming Lots

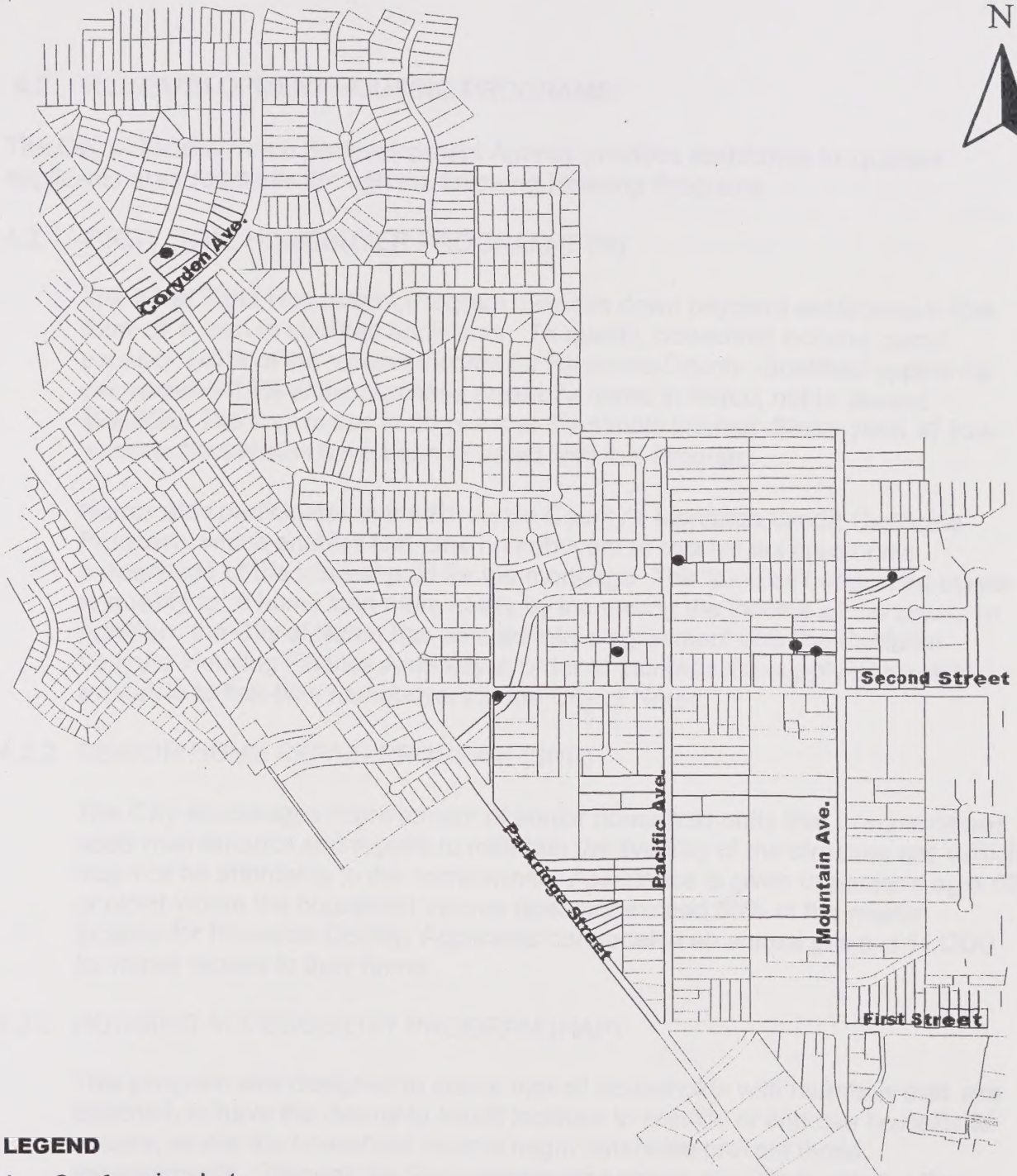
**EXHIBIT 4.3
NON-CONFORMING
RESIDENTIAL LOTS
SOUTH**



LEGEND

- Non-Conforming Lots

**EXHIBIT 4.4
NON-CONFORMING
RESIDENTIAL LOTS
NORTHEAST**



LEGEND

- Non-Conforming Lots

**EXHIBIT 4.5
NON-CONFORMING
RESIDENTIAL LOTS
SOUTHWEST**

4.2 REDEVELOPMENT HOUSING PROGRAMS

The City of Norco/Norco Redevelopment Agency provides assistance to qualified applicants and residents through the following Housing Programs.

4.2.1 FIRST TIME HOMEBUYER PROGRAM (FTH)

The First Time Homebuyer Program provides down payment assistance in the form of a loan to qualified applicants. To qualify, household income cannot exceed 120% of the median income for Riverside County. Qualified applicants can receive 15% of the purchase price of a home in Norco, not to exceed \$22,500. The loan is due in 30 years at 3% simple interest. Since 1995, 47 low-income households have been assisted with this Program.

Norco also participates in the Riverside County's Mortgage Credit Certificate Program, which enables first-time homebuyers to receive tax credit on a percentage of the interest paid for the mortgage. This tax credit allows the buyer to qualify for a home loan more easily by increasing the income of the buyer. In addition, the City of Norco has entered into an agreement with the California Valley's Housing Finance Authority in order to increase the supply of housing available to first-time homebuyers in the City of Norco.

4.2.2 SENIOR HOME REPAIR PROGRAM (SHR)

The City encourages improvement of senior household units that in some cases need maintenance and repairs to maintain the livability of the structure and which may not be affordable to the homeowner. Assistance is given to person's age 62 or older where the household income does not exceed 50% of the median income for Riverside County. Applicants can receive an annual grant of \$1,000 for minor repairs to their home.

4.2.3 HOUSING ACCESSIBILITY PROGRAM (HAP)

This program was designed to insure that all households with members that are disabled, to have the means to install facilities to provide or improve household access, where the household income might otherwise prevent those improvements. Through the Redevelopment Agency, the City is able to offer assistance to qualifying low-income households to provide the necessary improvements that will make them accessible as needed. Assistance is given to senior citizens and physically disabled persons who do not exceed 50% of the median income for Riverside County. Qualified applicants receive a one time only grant of \$1,500 for the improvement or installation of handicap aids to provide accessibility to their home.



4.2.4 DEFERRED LOAN PROGRAM (DLP)

Assistance is given to applicants whose household income does not exceed 100% of the median income for Riverside County. Qualified applicants will receive up to \$25,000 at an interest rate of 3%. The loan is deferred for 15 years or when the home is sold, whichever comes first and is repaid in 15 years.

4.2.5 SEWER PROGRAM II (SPII)

The Sewer Program II is a tax reimbursement program for low-income households. Assistance is given to owners of single-family homes to pay their respective property assessments that were established to pay for expansion of the City's sewer system. A grant is given based on the amount of the annual sewer assessment. In the past five years the program has assisted 291 low-income households.

4.2.6 SEWER LOAN PROGRAM (SLP)

The Sewer Loan Program is for single-family, owner occupied households. It is the objective of the Sewer Loan Program to assist in the installation of the lateral hook-up into the City's main sewer system. The Sewer Loan Program is a direct loan by the City of Norco or the Norco Redevelopment Agency. The loan is secured by a voluntary lien against the property. The interest rate of the loan is determined by the household annual gross income. If the household income is under 120% of the median income for the Riverside County Area, the interest rate is 3 % percent. Over 120% percent of the median income, the interest rate is 5% percent.

4.2.7 FUNDING FOR HOUSING PROGRAMS

The primary source of funding for the City's housing programs has in recent years come from redevelopment set-aside funds, which equal 20% of all of the funds administered by the Norco Redevelopment Agency. The production of housing and housing assistance that has been occurring during the current phase of the Housing Element (the past five years) has been facilitated from the use of accumulated unexpended funds from previous years. Inasmuch as these accumulated funds are being depleted, the same level of production will not be possible into the foreseeable future. For this next phase of the Housing Element (2000-2005), all of the annual redevelopment housing funds are pre-committed to the retirement of outstanding debt obligations.

The City's programs listed above expended the following funds from (1995-1999) to eliminate or remove blight, preserve the City's housing stock, acquire land for



new housing and to assist low-moderate income families with the purchase of existing housing in the City. (See table 4.2 below)

TABLE 4.1
AGENCY AFFORDABLE HOUSING EXPENDITURES (1995-1999)

PROGRAMS	1995	1996	1997	1998	1999
Code Compliance*	\$0	\$0	\$0	\$370	\$681
Deferred Loan	\$25,445	\$50,998	\$1,221	\$1,854	\$30,381
First-Time Homebuyer	\$271,394	\$92,717	\$0	\$277,546	\$44,100
Housing Accessibility	\$3,000	\$8,166	\$0	\$5,371	\$560
Infill Housing	\$189,152	\$24,894	\$75,969	\$102,828	\$642
Senior Home Repair	\$11,014	\$23,088	\$12,672	\$18,656	\$11,323
Sewer I	\$0	\$0	\$0	\$0	\$8,960
Sewer II	\$25,733	\$25,925	\$24,865	\$23,911	\$21,258
Sewer Loans	\$0	\$0	\$0	\$0	\$31,896
Vacant Land Acquisition	\$78	\$1,981	\$114,574	\$10,336	\$246
Total by Year	\$525,816	\$227,769	\$229,301	\$440,872	\$150,047

* Includes both the Distressed Property Program and the Property Preservation Program

In the (2000-2005) Implementation Plan, the City of Norco will continue with the current housing programs in addition to introducing new programs and projects to meet the goal and objectives of the Housing Element. In order for the City of Norco to accomplish its goal and objectives, the City has prepared the following cash flow analysis for future housing programs and policies (See Table 4.3)

TABLE 4.2
PROJECTED AFFORDABLE HOUSING EXPENDITURES (2000-2005)

PROGRAMS	2000	2001	2002	2003	2004	2005
Code Compliance*	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000
Deferred Loan	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
First-Time Homebuyer	\$200,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Housing Accessibility	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Infill Housing	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
Senior Home Repair	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Sewer I	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Sewer II	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Sewer Loans	\$249,990	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Clark Terrace (Phase II)	\$500,000	\$0	\$0	\$0	\$0	\$0
Total by Year	\$1,039,990	\$670,00	\$670,000	\$670,000	\$670,000	\$670,000



Implementation of the housing program described in this Housing Element requires careful budgeting and administration to be successful. The primary source of revenue for the project housing is set-aside revenue generated by the redevelopment project area in the city. In addition, the housing fund will benefit from interest earnings, the repayment of loans and the sale of land.

4.3 ZONING/LAND USE POLICIES TO MITIGATE/REMOVE GOVERNMENTAL CONSTRAINTS

4.3.1 SECOND DWELLING UNITS

In July of 1993, the City Council adopted a second unit ordinance that allows for the construction of second housing units as accessory dwellings on lots that are in compliance with the underlying zoning; and upon which the second unit can be built to meet the standard City regulations for that zone. There must first be an occupied primary residence before the secondary unit can be used or constructed. These units cannot be larger than 30% of the floor area of the primary dwelling unit, or 1,200 sf, whichever is smaller, and can only be used as rental units. A secondary unit has to be part of the same structure as the primary unit.

The adoption of the second unit ordinance provides other opportunities for the construction of affordable rental units that are available to a broader range of household incomes. It also allows for households to share the costs of maintaining large animal-keeping lots, making the City's lifestyle available to as many families as possible by minimizing the restriction that can be created from high land costs.

4.3.2 SENIOR HOUSING

As discussed in Section 3.5.2 of this document, the City is actively pursuing the second phase of a senior housing project through its redevelopment agency. The first phase, which consisted of 40 affordable housing units, was dedicated in September 1997. The second phase, when completed, will be composed of an additional 40 affordable units. In addition to meeting the limited income requirements that many seniors face, this project will allow the seniors to have residential options in the City even though their desire or ability to live and maintain on an animal-keeping lot may have changed.

Furthermore, the City maintains its existing policy of allowing mobile homes, not placed on foundations, as temporary secondary dwelling units for related senior citizens. This greatly reduces the cost of providing additional units for this special segment of the population.



4.3.3 INFILL HOUSING

This program is one of the redevelopment programs discussed in Section 4.1 that is designed to allow development of existing substandard lots that otherwise could not be developed because of the minimum lot size requirements. The program also allows vacant land to be acquired by the agency and used to construct affordable units. Like the secondary dwelling units discussed above, these units help to provide housing opportunities for families who might otherwise be restricted from living in the City because of higher land costs.

4.3.4 MOBILE HOME/MANUFACTURED HOUSING

In addition to senior mobile home housing discussed Section 4.3.2 above, since 1982 the City has maintained its policy of allowing mobile home/modular homes as primary dwelling units in agricultural and residential zones. All such homes must meet the standards of the National Mobile Home Construction and Safety Standards and cannot be any closer than 800 feet to another mobile/modular home. This provides additional opportunities to provide housing affordable to all economic segments of the population.

4.4 PRESERVATION OF HOUSING AFFORDABILITY

4.4.1 LOW INCOME HOUSING CONVERSIONS

State law requires the housing element for each community to address the potential of "at-risk" government assisted housing units that are eligible to revert back to market rate units within the next ten years. These units are considered "at-risk" because of the potential for them to be removed from the City's low-income housing stock. After a subsidy contract expires, or a mortgage is prepaid, or a contract restriction on land use expires, government assisted units are eligible to change to non-low income housing. "Assisted housing developments" for purposes of this section of State Law refers to multi-family rental housing that receives governmental assistance under the following programs:

- ☐ Federal HUD 202 Senior Assisted Housing.
- ☐ Federal Section 8 HUD Assistance Programs.
- ☐ Federal Community Development Block Grant Programs.
- ☐ State and local multi-family revenue bond programs.
- ☐ Redevelopment programs.
- ☐ Local in-lieu fees or density bonus programs.



ACRONYMS

CDBG	<i>Community Development Block Grant</i>
CODE	<i>Code Compliance Program</i>
CRC	<i>California Rehabilitation Center</i>
DOF	<i>California Department of Finance</i>
DLP	<i>Deferred Loan Program</i>
EIR	<i>Environmental Impact Report</i>
EPA	<i>Environmental Protection Agency</i>
FTH	<i>First-Time Homebuyer Program</i>
HAP	<i>Home Accessibility Program</i>
HCD	<i>State Department of Housing and Community Development</i>
HH	<i>Habitat for Humanity</i>
HS	<i>Hillside</i>
HUD	<i>State Department of Housing and Urban Development</i>
INFILL	<i>Infill Housing Program</i>
LIHH	<i>Low Income Household</i>
RHNA	<i>Regional Housing Needs Assessment</i>
SCAG	<i>Southern California Association of Governments</i>
SCAQMD	<i>Southern California Air Quality Management District</i>
SHR	<i>Senior Home Repair Programs</i>
SPII	<i>Sewer Two Program</i>
SRO	<i>Single Room Occupancy</i>
UBC	<i>Uniform Building Code</i>
WRCOG	<i>Western Riverside Council of Governments</i>



Norco

General Plan Housing Element

U.C. BERKELEY LIBRARIES



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